

# BULLETIN

OF THE

## NATIONAL ASSOCIATION OF CREDIT MEN.

PUBLISHED MONTHLY BY

CHAS. E. MEEK, SECRETARY-TREASURER,

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For those who have been putting off securing bound copies of the Bulletin, it is fair to point out that the stock has been reduced to the following:

1907—11 copies.

1908—No Copies.

1909—26 copies.

Credit men who desire to be broadly informed regarding credit work, should have in their libraries these Bulletins representing as they do, the most distinctly credit men's literature existing. Bound Bulletins may be had at \$1.00 per copy, plus 23 cents for carriage.

## NEW MEMBERS REPORTED DURING MAY.

- Augusta, Ga.**  
Augusta Drug Co.—John Phinizy.
- Baltimore, Md.**  
Beehler, William, Inc.—Malcolm Moore.  
Carey Machinery & Supply Co.—James Carey, Jr.  
National Bank of Commerce—J. R. Edmunds, Cash.  
Royal Pants Co.—Samuel Lehman.
- Boise, Idaho.**  
Bradstreet Co., The—L. Long.  
Caldwell Milling & Elevator Co.—B. M. Holt.  
Smith, M. E., & Co.—P. H. Dawson.
- Boston, Mass.**  
American Felt Co.  
Batchelder, Fred M., Co.—Fred M. Batchelder, Treas.  
Dennison Mfg. Co.—F. W. VanDennfange.  
Gray & Davis—William Gray.  
Hollander, L. P., & Co.—Charles L. Furber.  
Livermore, Homer F.—Frank H. Wuest.  
Ripley, Howland Mfg. Co.  
Shuman, A., & Co.—R. H. Graham.  
Smith, E. R., & Co.
- Buffalo, N. Y.**  
Calloway Fuel Co.—Edw. Calloway.  
Standard Oil Company—John C. Millar.
- Charleston, S. C.**  
Bailey-Lebby Co., The—Mr. Lebby, V. P.  
Etiwan Fertilizer Co.—Wm. J. McCormack, Treas.  
Fincken-Jordan Co.—E. H. Rawls.  
Franke, C. D., & Co.—H. D. Lubs.
- Chicago, Ill.**  
Aetna Powder Co., The—J. M. Rogers.  
American Bridge Co. of New York—J. Lewis Foulk.  
American Sales Co.—C. K. Anderson.  
Bishop & Babcock Co., The—Cooper Lyons.  
Blakeslee, G. S., & Co.  
Chicago Iron Store—M. Baskerfield.  
Chicago Mercantile Co.—Chas. E. Hyman.  
Chicago Screw Co., The—W. E. Cooper.  
Cree Publishing Co.—Dugal Cree.  
Dearborn Rubber Shoe Co.—R. E. Bain.
- Ehrat, Geo., & Co.—Geo. H. Wessling.  
Felsenthal Bros. & Co.—Henry Felsenthal.  
Globe Soap Co., The—M. A. Ives.  
Hadesman, J. P., & Co.  
Haggard & Marcusson Co.—Henry H. Marcusson.  
Howes Bros. Co.—Harry H. Keyes.  
Kinney Rodier Co.—F. W. Kinney.  
Michigan Stove Co., The—H. J. Knight.  
Milwaukee Mechanics' Ins. Company—Harry Fox.  
Napier, R. A., & Co.  
Price Flavoring Extract Company—Wm. V. Appleton.  
Royal Insurance Co., Ltd.—Geo. W. Law.  
Rubel Loose Leaf Mfg. Co.—E. P. Wenger.  
Star & Crescent Milling Co.—W. H. Mast.  
Starkweather & Shepley, Inc.—H. V. Burrows.  
20th Century Mfg. Co.—F. A. Canfield.  
Terwilliger, R. I., & Co.—R. I. Terwilliger.  
Windsor Spring Co., The—B. E. Windsor.
- Clarksburg, W. Va.**  
Hornor-Gaylord Co., The—W. T. Wallis, Treas.  
Morris Grocery Company—Robt. Morris.  
Williams Hardware Co., The—J. W. Williams.
- Cleveland, Ohio.**  
Caxton Co., The—W. H. Webster.  
Fidelity Mutual Life Ins. Co.—F. F. Greene.  
Home Life Ins. Co.—Harry B. Burrows.  
Nau, Tanner & Rusk—Carl H. Nau.  
Nau, Tanner & Rusk—John B. Tanner.  
Penton Publishing Co., The—E. K. Hoak.  
Rosenberg, Casper.  
Welsbach Co., The—W. W. Stephens.
- Columbus, Ohio.**  
Bradford Shoe Co., The—Emery Bradford.  
Hyatt-Wise Mfg. Co., The—S. W. Hyatt.  
Moore & Ross Milk Co., The—Mr. Moore.

Ohio State Stove Co., The—Warren B. Thomas.

**Detroit, Mich.**

American Exch. Nat. Bank—Chas. S. Howard.

American Radiator Co.—J. R. Clouse.  
Atlas Foundry Co., The—Wm. Christian.

Autoparts Mfg. Co., The—A. O. Dunk.  
Detroit Insurance Agency—A. J. McQuiston.

Detroit Lumber Co.—Henry Otis.  
Goldman & Co.—A. Goldman.  
Kales-Haskel Co., The—F. Haskel.  
Metzger Motor Car Co.—P. S. Beamer.  
Michigan Auto Parts Co.—Wm. Hendrie.

Michigan Smelting & Refining Co.—Joseph Sillman.

Osborne, Boynton & Osborne—George H. Boynton.

Rayl, T. B., Co.—Dudley W. Smith.

**Evansville, Ind.**

Pennington, R. H., & Co., Inc.—W. P. Geissler.

**Indianapolis, Ind.**

Continental National Bank—B. C. Downey.

**Kansas City, Mo.**

Central Coal & Coke Company—R. E. Letcher.

Creamery Package Mfg. Co.—R. T. Davis.

Fletcher Factory of the National Candy Company—F. G. Goodell.

Inter-City Wholesale Grocery Co.—W. R. Trotter.

Jamison Bros. & Johnitz—C. H. Johnitz.  
Monarch Electric Company—K. L. Day.

Reineke Wilson Company—R. L. Kidner.

Stickney, Wm. A., Cigar Company—R. E. O'Malley.

Woodstock-Hoefler Watch & Jewelry Co.

**Louisville, Ky.**

Bridgeford & Co.—C. P. Jean.

Bush, Krebe Co.—F. P. Bush.

Courier-Journal Job Printing Co.—Henry T. Davidson.

Hyman Pickle Co.—W. G. Miller.

International Harvester Co.—W. J. Patterson.

Kentucky Consumers Oil Co.—R. O. Bailey.

Richardson, E. A., & Co.—E. A. Richardson.

Rowell, Robt., Co.—Robert Rowell.

**Lynchburg, Va.**

Witt, George D., Shoe Company—R. Gilbert Wood.

**Macon, Ga.**

American National Bank—C. J. Taylor, Pres.

Cox & Chappell Co.—A. E. Chappell, Pres.

Fourth National Bank—J. F. Heard, Pres.

Happ Bros. Co.—Lee M. Happ, Pres.

Jaques, S. R., & Tinsley Co.—G. M. Hilsman, S. & T.

Long, A. J., Cigar & Grocery Co.—A. J. Long, Pres.

Macon Grocery Company—A. W. Smith, S.-T.

Merritt Hardware Co.—T. A. Bardwell.

**Memphis, Tenn.**

Binswanger & Company—M. S. Binswanger.

Dean Lilly Coffee & Spice Co.—W. H. Dean.

Elliott, Edw. S., & Company—W. A. Smith.

Hendrickson, C. D., Lumber Co.—C. D. Hendrickson.

Wellford, Thos., & Son—C. C. Wellford.

**Milwaukee, Wis.**

Allis-Chalmers Co.—E. C. Welborn.

Cannon Printing Co.—Bernard Cannon.

Falk Co., The—E. A. Wurster.

Henschel, C. D., Mfg. Co.—W. P. Held.

Mansfield, Geo. C., Co., The—A. H. Graeszel.

Milwaukee Paper Box Co.—W. C. Carlson.

Polacheck, Chas., & Bro. Co.—Arthur Polacheck.

Western Iron Stores Co.—R. M. Friend.

**Minneapolis, Minn.**

Bradley, G. L., Co.—W. W. Bradley.

Clausen, S. H., & Co.

Electrical Engineering Co.—W. E. Stephenson.

Gruenberg Bros. Locker Co.—A. M. Gruenberg.

Hudson, Thurber Co.—P. H. Knoll.

Kildall Fish Co.—H. T. Griffith.

Lansing Wheelbarrow Co.—W. A. Kimball.

Northwestern Consolidated Milling Co.—L. Leist.

Patterson, L., Merc. Co.—J. A. Berquist.

Pauley, J. W., Cigar Mfg. Co.—N. H. Pauley.

Pflaum, G., & Sons—S. R. Loux.

Pillsbury Flour Mills Co.—P. W. Smith.

**Moundsville, W. Va.**

United States Stamping Co.—Blanchard E. Hiatt.

**New Castle, Pa.**

National Biscuit Company—S. J. Boyle, Mgr.

New Castle Electric Company—W. F. Burns.

**New Orleans, La.**

Anheuser-Busch Branch—A. Schmedje.

Beer, Mayer & Co.

Blum, Henry.

Consumers Electric Co.—Sam Insull, Receiver, Mike S. Hart.

Crescent City Mach. & Mfg. Co.—J. C. Allen.

Diamond Paper Co.—H. C. Chisohm.  
 Evansville Brewing Asso.—Paul Wohlbruck.  
 Federal Elec. Sign System—W. Warren-tower.  
 Gelpi, Paul, & Son—Alcee J. Gelpi.  
 Imported Film Supply Co.—J. E. Pearce.  
 Jackson Brewing Co.—Gus Oertling.  
 Koenig, Julius C.  
 Kottwitz, A. S., & Co.—A. S. Kottwitz.  
 Loubat Glass & Cork Co.—Alb. Tujage.  
 McKeough, F. M.  
 Metropolitan Bank—A. C. Wuerpel.  
 Murphy, John H.  
 National Oil Co. and Mill Supp. Wks.—R. H. Wetmore.  
 New Orleans Acid and Fertilizer Co.—E. K. Huey.  
 New Orleans Brewing Co.—Henry Bentz.  
 Ocean Accident & Guarantee Corp.—R. H. Brooke.  
 Pender, J. T.  
 Penick & Ford, Ltd.—Aug. Soniat.  
 S. & S. Co., of La.—Chas. R. Ozbern.  
 Searcy & Pfaff—Wm. Pfaff.  
 Stern Fdy. & Mach. Co.—S. B. Stern.  
 Sweet, Orr & Co.—W. S. McCrain.  
 Texas Oil Co.—J. D. Gibbs.  
 Welsch Bros.  
 Whitney Central Nat. Bank—M. B. Ferguson.

#### New York, N. Y.

Arnstaedt & Co.—Geo. Stollberg.  
 Atterbury Bros., Inc.—Henry Atterbury.  
 Austin, Nichols & Co.—William T. Gil-lott.  
 Baker, Geo., & Sons, Inc.—Walter S. Baker.  
 Berlin & Jones Envelope Co.—A. Pope.  
 Bloom & Millman—Harry Bloom.  
 Bond & Goodwin—Carl E. Steere.  
 Bramson & Kutner—Edward I. Bram-son.  
 Columbus Carpet Co.—J. W. Fitz-Gerald.  
 Dennison Mfg. Co.—J. H. Baldwin.  
 Fithian, J. H., & Co.—J. H. Fithian.  
 Franco-American Food Co.—Victor Garrett, Treas.  
 Garfinkel, M.—M. Garfinkel.  
 Gifford, John A., & Son—Hugo Prinz.  
 Glendale Elastic Fabrics Co.—E. P. Dickerman.  
 Gordon, M. & H.—Joseph Gordon.  
 Hall, Edward E., & Co.—E. S. Powell, Jr.  
 Heiss, S. W., & Co.—S. W. Heiss.  
 Heller, I., & Co.—I. Heller.  
 Jacob Bros. Co.—John W. Stevens.  
 Jaeger, Otto.  
 Keuffel & Esser Co.—A. Kimmerle.  
 Liebovitz, S., & Sons—A. L. Liebovitz.  
 Lings, G. S., & Co.—E. B. Freeman.  
 Lowenstein, M., & Sons—Mark J. Green-berg.

Mausser Co., The—T. Stewart.  
 Milbank, Leaman & Co.—C. B. Milbank.  
 Miller, J. M., Company—J. J. Chappuis.  
 Monopol Tobacco Works—Sidney Kelly.  
 Morgan's Enoch, Sons Co.—John F. Dutton, Treas.  
 Morris, Jos. A., & Co.—Jos. A. Morris.  
 Murray & Broking—Wm. E. Fellows.  
 Orinoka Mills, The—Thos. F. Gurry.  
 Richardson & Boynton Co.—Arthur Nichols.  
 Roebling's, John A., Son's Co.—A. L. Miller.  
 Rossman, Robert, Co.—George L. Esp.  
 Sackett & Wilhelms Co., The—Julius Herman, Treas.  
 Scheuer, Herman—Jacob H. Scheuer.  
 Schlesinger, Leo, & Co.—Leo Schle-singer.  
 Schoen, Joseph, & Co.—A. W. Crone.  
 Silver, A. M., & Co.—Morse Silver.  
 Silverstein Brothers—Joshua Silver-stein.  
 Simon, J. R., & Co.—G. F. Simon.  
 Spencerian Pen Co.—T. E. Smith, Pres.  
 Stafford, S. S., Inc.—Robert Bachia, Treas.  
 Stroheim & Homann—Geo. E. Skelly.  
 Swan, Joseph, & Son—Walter R. Park.  
 Thalheim, C., Co.—Wm. Hampson, Sec.  
 Timme, E. F., & Son—John Boerker.  
 Waters, Fred F.  
 Werthmann, Adolph—A. Werthmann.  
 Willenborg, C., & Co.—R. H. Elker.  
 Wrigley, Wm., Jr., & Co.—B. L. At-water.  
 Zelenko & Moskowitz—Moses New-mark.

#### Norfolk, Va.

Consumers' Brewing Co.—J. F. O'Con-nell.  
 Hunter Manufacturing Co.—A. C. Wood.  
 Jenkins Paint & Oil Co.—Jas. I. Jenkins.  
 Old Dominion Paper Co.—C. Manning.  
 Voight, R. P., Co.—C. T. Ingram.  
 Williams, Martin & Gray—Geo. T. Gray.  
 Wrenn, A., & Sons—A. L. Black.

#### Omaha, Neb.

Brinn & Jensen Co.—C. W. Brinn.  
 Grand Union Tea Co.—W. D. Williams.  
 Lehmer, J. R.  
 Liver, C. B., & Co.—C. B. Liver.  
 Northwall, T. G., Co., The—G. M. Hypse.  
 Omaha Stove Repair Works—Geo. A. Wilcox.  
 Omaha Wallpaper Co.—L. L. French.  
 Smith-Lockwood Mfg. Co.—A. M. Smith.  
 Standard Stock Food Co.—J. S. Sibley.  
 Sunderland Bros. Co.—E. M. Sunder-land.  
 Western Rock Island Plow Co.—J. H. Hughes.



### **Philadelphia, Pa.**

Butler, A. H., Co.—E. R. Fitz Simmons.  
Hale & Kilburn Mfg. Co., The—H. G. Barnes.  
Hunt, C. Howard, Pen Co.—H. R. Bitner.  
Hurlock Bros. Co.  
Marwick, Mitchell & Co.—Archibald W. Norman.  
Murphy's, Wm. F., Sons & Co.—Edward Twaddell.  
Paiste, H. T., Co.—D. T. Moore.  
Southwark Nat. Bank—W. W. Foulkrod, Jr.  
Tenth National Bank—J. F. Bauder.  
Woodbine Children's Clothing Co.—Joseph Schoeneman.

### **Pittsburgh, Pa.**

Alpern & Seder—Lewis M. Alpern.  
Babcock, E. V., & Co.  
Colonial Steel Company.  
Jamestown Metal Furniture Co.—L. M. Atwood.  
Liberty Engraving Company—W. P. Canfield.  
Lowenstein Packing Company—S. Lowenstein.  
Merchants' Mercantile Agency, The—W. S. Smith.  
Robinson, C. K.  
Royal Typewriter Company—T. D. Blacus.  
Shapira, Samuel S.  
Smith, A. W., Co.—A. W. Smith, Jr.  
Stallings Company—J. M. Stallings.  
Staman, J., & Co.—J. Staman.

### **Quanah, Texas.**

Baker, Hanna & Co.—J. L. McNees.

### **St. Louis, Mo.**

Ault & Wiborg Co.—A. A. Kelly.  
Derby Desk Co.—Chas. S. Blood.  
Foot, A. H.

German-American Press Ass'n—O. S. Pollard.  
Krekeler Gro. Co.—Oscar Gutgesell.  
Landau, Gro. Co.—Albert Landau.  
Pittsburgh Plate Glass Co.—C. W. Temple.  
Quincy Stove Mfg. Co.—C. A. Heidebreder.  
St. Louis Union Trust Co.—Thos. H. West, Jr.  
Sinclair & Valentine—F. X. Craft.  
Yawman & Erbe Mfg. Co.—W. H. Curtiss.

### **St. Paul, Minn.**

Minnesota Type Foundry Co.—W. A. Potter.

### **Salt Lake City, Utah.**

Bennion, Hyrum, & Sons Co.—Hyrum Bennion, Jr.  
Hancock Bros. Produce Co.—J. A. Hancock.  
Ryan & Virden—Chas. E. Virden.  
Smith, James R., & Sons—J. S. Smith.

### **San Antonio, Texas.**

Frank, L., Saddlery Co.

### **San Francisco, Cal.**

Kinspel, Strauss & Co.—D. Strauss.  
Lachman, Arthur.

### **Youngstown, Ohio.**

Bradstreet Co.—H. J. Frost.  
Bruce, Foster & Middleton—George O. Bruce.  
East Ohio Gas Co., The—C. E. Gallagher.  
Farmers' National Bank, The—Mark H. Liddle.  
Fithian, John A.  
Witch Hazel Coal Co., The—W. J. Sampson.  
Youngstown Wire & Iron Co.—J. J. O'Niell.

### **Information Wanted.**

Members of the Association who can offer information regarding the names below are asked to communicate with the National office:

S. Aaron, manufacturers' agent, St. Louis, Mo.;

W. C. Walker and Gamble-Barker Company, Clovis, New Mexico.

L. P. Cook, engaged in agricultural implement business at Maywood, Ky. Gives plenty of references.

### **Where Investigation May Save Being Gouged.**

There are bureaus making a business of checking the freight receipts of large concerns for the purpose of detecting errors, which are doing an honorable business and an excellent service; on the other hand there are men or groups of men traveling about purporting to represent so-called freight or commerce bureaus who on investigation are found to represent mere myths. It is discovered that there exists no means or intention to render the service agreed upon. It is well, therefore, to examine into propositions along this line before closing any arrangement. While the National office has not made a study of these so-called commerce bureaus, it would be glad to be informed of cases coming to the members' attention and very possibly can assist in investigations.

Members of the National Association of Credit Men who have had dealings with the Sprague Mercantile Agency of Chicago, Consolidated Adjustment Co. of Chicago, Barr & Widen Mercantile Agency, St. Louis, Whitney Law Corporation of New Bedford, Mass., National Collection Agency of Washington, D. C., International Law and Collection Agency of Dayton, Ohio, and Manufacturers' and Jobbers' Commercial Agency of Benton Harbor, Mich., are requested to report the results of the same to the National office.

#### Notes.

E. R. Rogers, of the Rogers Company, has been elected president of the Tacoma Association of Credit Men.

O. C. Olney, of the Cedar Rapids Candy Co., has been elected president of the Cedar Rapids association, succeeding J. M. Denning, resigned.

John A. Mathews was unanimously re-elected president of the Louisville Credit Men's Association at a meeting held May 5, 1910. Charles Braden, of the Federal Chemical Company, was elected vice-president.

In the list of associations having bureaus for exchanging credit information, presented in each issue of the BULLETIN, is included this month for the first time the Pueblo association and the Indianapolis association.

On account of the steadily increasing secretarial work devolving upon the office of the Pittsburgh association, the Board of Directors has elected E. A. Schooley to the office of assistant secretary, thus giving Secretary Ellis two assistants.

At the May 31st meeting of the Detroit Credit Men's Association, delegates to the New Orleans convention made their reports after which the Rev. M. I. Stritch, S.J., gave a stereopticon lecture on Halley's comet.

The April 20th meeting of the Portland Association of Credit Men was devoted to a study of credit office appliances as in use in several large Portland houses. President Paget and Secretary Smith had arranged a very satisfactory exhibit.

At the annual May meeting of the St. Louis Association of Credit Men, C. C. Robertson, of Woodward & Tiernan Printing Co., was elected president, W. H. Grimes, of Chattin-Norton Importing Co., vice-president, and John R. Cooke, of Third National Bank, treasurer.

At the May 12th meeting of the Buffalo Credit Men's Association the election of officers for the ensuing year took place, resulting as follows: John J. Dolphin, of the Jacob Dold Packing Co., president; S. C. Ryan, vice-president, and E. H. M. Edwards, treasurer.

At the annual meeting of the Toledo Association of Credit Men, held May 13th, the following officers were elected for the ensuing year: C. F. Weiler, Perfection Shirt Waist Co., president, A. A. Smith, of Goodsell Mfg. Co., vice-president, and W. S. Buckout, of R. A. Bartley's, treasurer.

The National Association of Manufacturers, at its annual convention held during the week of May 16th, declared itself vigorously for the establishing of a merchant marine which shall be comparable with that of other nations. The association also took a strong position for uniformity in laws affecting industrial progress.

The Boston association plans to have an outing in July, probably at one of the numerous country clubs in eastern Massachusetts. The Pittsburgh association is also planning an outing and hopes to have other associations of credit men in nearby cities join its members at some central point and have a general good time together.

At the annual meeting of the Memphis Association of Credit Men held May 19th, the following officers were elected for the ensuing year: J. R. Paine, of White-Wilson-Drew Co., president; R. W. Ramsey, of Van Vleet-Mansfield Drug Co., vice-president, and E. L. Rice, of Bank of Commerce and Trust Co., treasurer.

At the last annual meeting of the Kansas City Association of Credit Men the following officers were elected for the ensuing year: James McQueeny, of the Loose-Wiles Biscuit Co., president; E. L. McClure, of Maxwell-McClure-Fitts Dry Goods Co., vice-president, and C. C. Vandel, of Edwards & Sloan Jewelry Co., treasurer.

At the April 19th meeting of the Youngstown Association of Credit Men the following officers were elected for the ensuing year: H. W. Grant, of Youngstown Savings & Banking Co., president, Chas. F. Wilkins, of Wilkins-Leonard Hardware Co., vice-president, F. E. Hearn, of the Thomas-Hearn-Fithian Co., treasurer, and W. C. McKain, secretary.

At the annual meeting of the Atlanta association held in May the following new officers were elected: Ralph Rosenbaum, of Atlanta Woodenware Co., president; H. B. Wey, of Dobbs & Wey Co., vice-president; James F. Dougherty, of Dougherty-Little-Redwine Co., second vice-president, and E. L. Rhodes, of Ernest L. Rhodes & Co., secretary and treasurer.

The National Wholesale Grocers' Association in annual convention at Louisville, May 24-27, approved the efforts of the National Association of Credit Men to extend and enforce the bulk sales law in the various states. Resolutions were also adopted upon the question of uniform state law touching commercial transactions, and especially laws relating to weights and measures.

At the May meeting of the executive council of the American Bankers Association a resolution was offered by President Pierson and adopted, calling for the appointment of a committee of three to confer with any similar committee of the National Association of Credit Men, whose duty it shall be to prepare a plan whereby there can be obtained the successful prosecution of persons making false statements of financial conditions.

There was held at Indianapolis in May a meeting having in view the forming of an Indiana state council for the extension of the movement for uniform state laws. The principal matters discussed in the meeting were drug and food laws, insurance, commercial paper, and employers' liability laws. The council was thoroughly organized and will as promptly as possible lay out a program of work.

Samuel D. Gray, whose trail of fraud has been traced by the Association all over the land and into Porto Rico and Hawaii and who on his release from the Colorado penitentiary was taken for trial to Seattle, Washington, has been sentenced to the penitentiary in that state for a period of one to five years. It is generally felt that the multitude of Gray's crimes and his past record insure his imprisonment for the full five year term.

Frank S. Hall and Geo. W. Cole, whose tortuous careers have been followed in the BULLETIN for a year or more, have at last been landed in the federal prison to serve at hard labor for one year. Their fraudulent operations began in Erie, Pa., and were followed by creditors working in conjunction with the postoffice department south and west. The strongest evidence against them seems to have been a signed statement of assets and liabilities furnished Adams & Ford Co. of Cleveland, who carefully saved the envelope in which the statement arrived.

The San Francisco Credit Men's Association is extending the facilities of the adjustment bureau by adding to its office force a trained adjuster who shall be prepared on short notice to go into any part of the country to make investigations or advise creditors regarding the best manner of handling weak accounts. The officers have been led to do this because of the excellent results brought about in the few cases it was possible, with the present force, to handle in this personal way.

T. H. Green of Minneapolis, the first treasurer of the National Association of Credit Men, addressed the Minneapolis association, April 19, on the beginnings of the Association. He told of the part taken in guiding the Association by the first prominent men and threw their likenesses on the screen. At the conclusion of this talk, slides showing credit department forms in use in large business houses in St. Paul, Minneapolis and Duluth, were thrown on the screen.

The St. Louis association's adjustment bureau in 27 cases controlled in bankruptcy and trusteeship and closed during the year ending May 1, 1910, paid an average of 57 6/10 per cent. in dividends. Three trusteeships paid 100 per cent., five adjustments paid the same and four of the latter were turned back to the owner all debts paid and still going businesses. Besides, the bureau handled three compromise cases, securing 40 per cent. in one, 60 per cent. in another and 72 per cent. in the third. In the 60 per cent. case, 25 per cent. had been offered and accepted by a large number of creditors.

Callers at the National office during the past month have included the following members: J. W. Spangler, of Seattle, Wash.; A. J. Gahr, of Cleveland, Ohio; Rolland J. Cleland, of Grand Rapids, Mich.; R. B. McGaw, of Fiske Rubber Co., Chicopee Falls, Mass.; Fred J. Bartel, of Adam H. Bartel Co., Richmond, Ind.; E. L. McClure, of Maxwell-McClure-Fitts Dry Goods Co., Kansas City, Mo.; W. A. Given, of Pittsburgh, Pa.; John Logan Boyd, Jr., Pittsburgh, Pa.; F. R. Salisbury, of Minneapolis, Minn.

Canada's returns in foreign commerce for the last fiscal year are giving her people much reason for gratification. They show how rapidly development is going with our nearest neighbor. Exports for the year amounted to \$279,000,000, compared with \$242,000,000 for the previous year. Of the former amount the United States took \$113,000,000, made up largely of lumber, pulpwood and asbestos. The total foreign trade amounted to \$679,000,000, or \$120,000,000 ahead of the previous year.

The National Association of Retail Grocers at its annual meeting in May passed a resolution opposing further legislation in the direction of bulk sales laws. It is hard to comprehend the line of reasoning responsible for this decision. During the very same month the Supreme Court of the United States handed down a decision holding the Michigan law constitutional and said "the purpose of the law is to



prevent the defrauding of creditors by the secret sale of substantially all of a merchant's stock of goods in bulk.

At the annual meeting of the New Castle Association of Credit Men, held May 5th, the officers of the previous year were re-elected. They are S. P. Smith of Smith, Daggett & Kurtz Co., president, Wm. M. White of New Castle Notion Co., vice-president, David E. Nessel of J. B. Nessel's Sons, treasurer and Roy M. Jamison, secretary. President Smith without delay appointed his committees for the new year and had them approved by the executive committee.

Twenty-nine members were responsible for the large increase shown in the membership of the St. Louis association last year. Twenty-nine members appreciated the work credit men in association are doing to the extent of desiring to broaden its influence over more credit men and give them the advantages arising from membership; appreciated the association enough to wish to give it greater force and power by enlarging its membership; appreciated the fact that growth must come through the devotion of each member. There should be more than 6 per cent. of the membership capable of appreciating these points.

The Legal Bureau had occasion recently to explain the position of an endorser under the Negotiable Instrument Law, now on the statute books of many states. Under that law one who signs a note as a maker, even though he does so merely for accommodation, is nevertheless an individual primarily liable in the instrument and therefore any extension of time of payment made by the creditor does not release him. Under the common law, if the primary obligor received an extension of time or a modification of the negotiable contract, any one who guaranteed for him was thereby released.

Since the May BULLETIN was issued the Senate Committee on Judiciary has made a unanimously favorable report to the Senate regarding the amendatory bankruptcy bill, and a favorable opportunity is being awaited to secure a vote in that body. Senator Bacon, of Georgia, made the committee's report which is an excellent exposition of the amendments. The changes made by the Senate committee from the bill as passed by the House of Representatives are of no great importance, so that there should be no difficulties in conference between the two bodies.

The Indianapolis Association of Credit Men has completed the incorporation of its credit exchange and adjustment bureau. An office has been established and the work of assembling cards has been begun. At present the plan is to furnish subscribers with the names of those selling the party inquired about, but it is hoped eventually that the bureau will compile information and make detailed reports. The bureau will arrange an interchange system with other information bureaus of the Association. The readiness of a large portion of the members to join the bureau made the work of the committee charged with its organization quite easy and progress very rapid.

A very concise and able treatise known as "A Simple Explanation of Modern Banking Customs," written by Humphrey Robinson, has just come from the publishers, Small, Maynard & Company of Boston, Mass. As its title page explains, the book is designed to promote closer and more satisfactory relations between the public and banks by giving the former a clear idea of the banking business. Mr. Rob-

inson has had relations with banks for a number of years as a business man and for an equal number of years as a banker so that he has the distinct advantage of the public's point of view as well as the banker's technical knowledge. The treatise is a real acquisition to the growing literature on banking and business.

The Commercial Club of Kansas City took its twenty-first annual trade extension trip this spring. Kansas City makes the claim of having originated the idea of get-acquainted trips which are now made from several important trade centers of the country. In different years the itinerary of the Kansas City Club has covered Mexico, Missouri, Kansas, Nebraska, Iowa, Oklahoma, Arkansas, Louisiana, Texas, Colorado, New Mexico and Arizona. These trips are in no sense business trips made in any sense to secure orders, but to bring before the merchants of the towns visited the advantages and attractions Kansas City has to offer as a place of business and socially.

At the forty-fourth annual meeting of the National Board of Fire Underwriters, held at New York in May, the National Association of Credit Men was congratulated upon its efforts to interest business men in the doctrines of sound insurance and in the necessity of adopting all possible means to lessen fire waste. The retiring president, J. Montgomery Hare, in his address, pointed out that the great need to-day is that the business men of the nation have their minds disabused of the common impression that the insurance companies were great oppressive monopolies. They must, he said, be made to realize that fire insurance is built on strict scientific principles which can not be ignorantly or wilfully tampered with without great harm resulting.

A committee consisting of St. Paul, Minneapolis and Duluth credit men has been appointed to formulate, if possible, a plan to reduce the expense entailed by the customer's use of personal checks. It consists of bankers and business men, so that whatever solution may be worked out will be just to both sides. The committee is as follows:

ST. PAUL.

H. W. Parker,  
H. E. Mann,  
L. A. Baker,  
Cushing Wright.

MINNEAPOLIS.

F. E. Holton,  
W. F. McLane,  
A. D. Andrews,  
Edwin J. Fisher,  
T. H. Green.

DULUTH.

W. B. Cross.

With a view to cementing and keeping more closely together Pittsburgh and its adjacent trade territory, a delegation from the Pittsburgh Chamber of Commerce has just completed a pilgrimage which covered western and central Pennsylvania and Maryland towns. The trip was made in a special train and certain groups of towns were covered by means of automobiles. The chamber's delegation was in charge of a committee of four, one of whom was President Enoch Rauh of the Pittsburgh Association of Credit Men, who made addresses at several of the places visited. The excursion was productive of the best of good feeling wherever the Pittsburgh delegates stopped, and from a business point of view there can be no doubt of its advantage to Pittsburgh's trade interests.

The Legislative Drafting Association has just been incorporated in New York state with John Bassett Moore, professor of international law and diplomacy of Columbia University at the head of the list of incorporators. It is said that the ultimate object of the association is to enlist the support of many authorities on law in uniform legislation in this country and abroad. The association will collect, analyze and index existing laws and interpret administrative rulings. It will report, publish and make available for individuals and associations legislative data, including a periodical review of comparative legislation and of international law. The hope of the association is finally to do away with conflicts between laws not only of the various states and the United States but of foreign countries, so that laws may be drafted which will be open to only one interpretation and will contain no loopholes or jokers.

J. Gazzam Mackenzie, president of the Toledo Association of Credit Men, is one of the foremost workers in the federation of the various commercial, industrial and social organizations of Toledo, the purpose of which is the betterment of the community in every direction, commercial, philanthropic, etc., a movement centered in the Business Men's Club, but taking in religious and charity workers as well as business and professional men. Toledo has for a long while felt the need of joint action among its many associations, so that support can be given to suggestions for civic betterment which may emanate from any one association after a free and full discussion has been had. Mr. Mackenzie outlined the advantages of the federation at a meeting of the Business Men's Club, May 21st. He showed what such a federation had meant to Cincinnati, where 22,000 representative men could be reached quickly and effectively for any movement for the good of that city.

The building of a splendid city not in a generation but in a little more than half that period is an achievement to arouse the imagination of the most world-wise men. It is not to be wondered that the men who have seen Oklahoma City evolve from the town of tents of 1889 to the metropolis of skyscrapers it is in this year 1910 never tire of telling out the story of the magical changes that have gone on under their eyes. It is a story of almost superhuman effort, of courage that would not be suppressed. The *Daily Oklahoman* illustrates this marvelous development in its anniversary number of April 22d, bringing out illustrations of the changes which have taken place in the city in all its departments of life. The *Oklahoman*, however, makes it clear that the city has now left the mere boom age behind and is growing soundly and vigorously because it has a great contributory district depending upon it, a state rich in agricultural, grazing and other resources.

The Cloak, Suit & Skirt Manufacturers Association of New York City is handling its initial bankruptcy case, the outcome of which will be awaited with interest. Jacob J. Goldman, president of the association, has been appointed receiver in bankruptcy of the S. Blumekrohn Co., and is authorized to continue the business for thirty days. Mr. Goldman will prepare a statement of the business as he finds it, submitting it to the creditors who will be expected to coöperate with the receiver in adjusting the company's affairs to the best possible advantage. While this is a move in the right direction, namely, the conservation of the assets of a bankrupt, better results would seem to follow through coöperation at an earlier stage. The schedules of bankrupts often furnish surprises for creditors in the same line of trade who learn for the first time that

they have been actively competing for the place of honor in the schedule of a bankruptcy case. Trade bureaus for the exchange of credit information would in many cases furnish the ounce of prevention.

In discussing the element or qualities which go to make up the determination of a credit risk, a writer has said that, by some credit men thrift in a man's mental structure is considered as ranking higher than all else save honesty. In analyzing thrift, he says, we find that that term stands for more than mere abstinence from useless expenditure; it is in addition, the faculty of making expenditures count for eventual profit, and it is even more than that, for it is the careful examination of investments by which losses are prevented and gains assured. Therefore the writer concludes that thrift means *growth* which makes the thrifty man a safe risk even though without real property behind him. The same writer also analyzes the moral hazard especially well,—the moral hazard involving honesty—not the honesty which is practical because of policy and which, therefore, is of superficial quality, yielding to temptation, but that vital virtue which is practiced for its own sake. Here again is found a basis for growth which is totally lacking in the man dishonestly inclined and the credit man, of course, wants to tie up to that which grows stronger with time.

"The Comptroller of the Currency has inaugurated another reform which will further improve the national banking situation. He has invited coöperation with state commissioners and superintendents of banking in the matter of the organization of new banks. Experience has shown that if for any reason a state superintendent is inclined to deny an application for a charter under the state law, the parties desiring to organize a bank immediately turn to the national banking system for the purpose of organizing a national bank. On the other hand, it frequently happens that where there are difficulties in the way of organizing a national bank, the parties in interest undertake to organize a state bank. Occasionally an application for charter for a national bank is received from persons whose reputations and general standing in the community are not of the best and who for good and sufficient reasons have been denied the privilege of organizing a state bank. With a view to preventing such persons from engaging in the organization of national or state banks, the Comptroller has invited the coöperation of state superintendents in connection with applications to organize banks in their states from persons whose character and financial standing is questioned. He has asked for confidential information relative to any cases which he may refer to state superintendents, and has assured them that the same consideration will be given to any case referred to him by such superintendents. It is believed that through such mutual aid the standard of bank management, both national and state, will be materially raised."

A correspondent of one of our members writes gloomily from the Southwest regarding the eagerness of local attorneys and collection agencies to put legitimate business concerns into bankruptcy. He said that some of these attorneys remind him of a bunch of turkey buzzards sailing into the carcass of a dead prairie steer. They want to see a business ruthlessly hurried into court. Once there the chance for plunder begins, for creditors lose heart in the delays and maze of technicalities. He says something must be done to strengthen the hold of creditors upon shaky accounts, so that they can close out a business, if need be, in the regular channels of trade economically and without slaughter. Of course all this is a pessimistic view we are invited to take, but for these evil



conditions creditors have been largely responsible. They do not get together, they give their accounts to the first agency or lawyer who asks for them, they patronize collection agencies of whose record for probity they have no idea, they temporize with debtors who have practised fraud and with lawyers who have directed the fraud, finally they drop all interest in a case as soon as legal process begins unless it happens that they have a large amount at stake. The Sherley amendatory bankruptcy bill contains a provision which if adopted will do away to a large extent with hurrying a concern perhaps temporarily in trouble into bankruptcy. It aims to permit concerns in danger of having petitions filed against them to place themselves under the protection of the court for the purpose of putting a compromise through without bankruptcy adjudication. The National Association of Credit Men has a great work before it in getting into creditors the right point of view with reference to failures. Great progress has been made, a better understanding of our troubles is had, but there still remains a long way to travel before we put bad conditions behind us.

Following an investigation by the Department of Justice which began several weeks ago, nine men were placed under arrest in Alabama and Texas for fraudulent use of the mails and other violations of the United States statutes. The men arrested in Alabama were Joseph F. Shreve, H. S. Shreve, Sam Copeland, George H. Shreve, John Johnson, William Franklin and R. T. Shreve, who are held under \$40,000 bond. In Texas United States marshals arrested Jesse H. Shreve and Daniel H. Shreve, who are held under \$500 bond. The methods of operation exposed by the department are described in the following statement: "What purported to be a legitimate jewelry store was started and large quantities of expensive jewelry were obtained from houses in different parts of the country. Shortly afterward the jewelry was removed from the jewelry store and a pretense was made of shipping it to some other point for the purpose of having a public sale. The sale was duly advertised to take place at a given date, and, meantime the building to which the jewelry was pretended to have been shipped was destroyed by fire, together with the packages purporting to contain the jewelry in question. The parties then went into bankruptcy and succeeded in relieving themselves of all their financial obligations. At a later date the jewelry, which was supposed to have been consumed in the fire, but which had been concealed in the meantime, was shipped to another part of the state and sold by parties connected with the conspiracy at greatly reduced prices. It also appears that in carrying out these operations the parties involved have been guilty of perjury, of the fraudulent use of the mails and possibly violations of other laws of the United States. Full evidence has been obtained by the government regarding these violations of law."

On April 9, 1910, Justice McCall of the Supreme Court of New York, handed down a decision in the case entitled Price vs. Derbyshire Coffee Co., and another coördinate case, Price vs. Tappenbeck, in which he held that a creditor is liable for preferential payments received from a bankrupt whether or not the creditor had any knowledge of the bankrupt's condition. This he said is in accord with section 66 of the Stock Corporation Law, and a trustee could invoke that section if an insolvent condition existed at the time of the transfer. Section 66 of the Stock Corporation Law was passed in 1890, and

provides that no transfer by a corporation of its property or payment made when the corporation is insolvent, or its solvency imminent with the intent to give a preference for any particular creditor shall be valid, and every person receiving by means of such prohibited act any property of the corporation shall be bound to account therefor to its creditors or stockholders, and that every transfer or assignment or other act done in violation of these provisions shall be void. Justice McCall said in his opinion: "The actions in these cases are brought by a trustee in bankruptcy against the creditors of the bankrupt to recover moneys paid to them while the bankrupt was insolvent. If the laws applicable to the situation were to be found solely in the bankruptcy section, namely section 60 b., the plaintiff could not prevail, as in these cases the record is destitute of proof that the defendants had any knowledge of the insolvent condition of the bankrupt and was utterly silent on the question of any knowledge on the defendant's part of the bankrupt's intention to prefer. But the plaintiff contends, that the law that governs, and which he has the right to invoke, is old section 48 (now 66) of the Stock Corporation Law, and if this be sound, their knowledge of condition or the intent to prefer is not a requisite, and if it is established that an insolvent condition existed at the time the plaintiff must recover, and the set-offs claimed by one of the defendants cannot prevail or operate to aid him until there is a return of the benefits received. That the trustee can invoke the section of the Stock Corporation Law above referred to admits of little doubt, and as an insolvent condition existed at time of transfer, the plaintiff must prevail. Judgment accordingly."

The death of C. E. Wheelock, of C. E. Wheelock & Co., Peoria, Ill., one of the best known merchants in the crockery and glass trade in the country, takes from this Association's rolls one of the old time members who has done much to increase the standing of the organization among Illinois business men. Mr. Wheelock's death brings a distinct loss to the Association.

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### **An Important Announcement Regarding the Bulk Sales Law.**

On May 16, 1910, the United States Supreme Court rendered its decision in the Musselman Grocer Company vs. Kidd, Dater & Price case, involving the constitutionality of the bulk sales law of Michigan. The court had previously rendered a favorable decision upon the law as in Connecticut and now holds that the Michigan statute is also constitutional. This settles once and forever that that which this Association has all along contended is morally right is legally right under the strictest interpretation and the way should now be clear for the few states (eight in number, Alabama, Arkansas, Illinois, Iowa, Kansas, Missouri, South Dakota and Wyoming) which have not yet enacted the law to do so. The legislatures of all these states meet in January of next year and the campaign in them should be begun at once. There is every reason to believe a successful conclusion can be reached in every state.

The National Association of Credit Men almost single handed has won great success with this bulk sales law before both legislative and judicial departments and we now enter the states remaining to be won with stronger force than ever.

**T**HERE are two principal methods of advertising.

By one method the advertiser purposes to make known his wares or ability to serve, as the case may be; by the other method he purposes to familiarize the world with the firm's name and make it stand for high merit and excellent reputation in the public mind. In the latter advertising he may not mention the goods of the house at all, merely aiming to associate the name with some movement which is good and thus impress upon men the breadth of action and high-minded policy which characterize the house.

The movement to cut down our tremendous fire losses and improve insurance conditions is attracting to-day increasing attention. It is a good movement for any house to connect its name with. Such connection will appreciate its reputation with the public. The National Association of Credit Men is a leader in this movement and has prepared a series of leaflets which it wants to see its members all over the land share in the distribution of. Connect the name of your house with this magnificent movement which is becoming more and more popular. From the narrowest point of view it will strengthen your house with the public and increase its prestige and influence.

Write the National office, 41 Park Row, for particulars and samples of the leaflets. Do not delay.

### Stray Convention Thoughts.

The fifteenth annual convention has passed into history, making a new milestone in the progress of our Association. It was a short year that has just closed, but full of snap and crowded with activities which will count heavily in the upbuilding of the Association. There was much that was noteworthy in the convention itself. New Orleans, the convention city, is hundreds of miles distant from those portions of the country where the overwhelming majority of the members reside, and yet the delegates poured in from all directions as if distance were no obstacle. New Orleans and the great Southland were magnets that pulled strong.

In one way at least distance seemed to be an advantage for it led to the organizing of numerous caravans of credit men and their families who, while forming the pleasantest friendships and observing together the land that had much about it new to all, moved steadily on to the great Crescent City near the Mississippi mouth. Then there were some who took to the great water route, and sailing from New York south and west for nearly five days under an ever glorious sky, landed finally at another of the country's great ports and thus gained a deep impression of the country's size.

Gradually the little incidents of the journey of these special caravans were told during the convention days. The visit to Vicksburg of the Ohio men, their journey over the fields on which less than half a century ago was enacted one of the greatest conflicts in history, had evidently left a deep impression. Then the delegates from the Atlantic seaboard with the break in their journey at the remarkable city of Atlanta, one of the South's most progressive centers, had a little story they loved to tell. Greeted at Atlanta with the lively strains of "Marching through Georgia," which the men of the South sang as lustily as their northern brothers, made it clear that only warmth and affection were to be found in this great Georgian city. There was "something doing" every minute of the all-too-short day that the northern caravan lay over in the great southeastern capital.

Who could go to New Orleans and not be profoundly impressed? Only he, I believe, who expected to find a conventional American city characterized by that hurry and bustle which we have learned to expect in all our cities. Not sameness, but differences are what arrest our attention, not alone grandeur but great historical events should impress us, and New Orleans, the only part of the great Louisiana region which was sensible of the transfers of dominion from France to Spain and back again and then to the United States, has an atmosphere permeated with historic interest. What, for instance, could be more impressive than the old Place d'Armes, now Jackson Square, flanked by buildings royal in type? With its profusion of semi-tropical flowers and with its walks all centered at the base of the heroic Jackson statue, it is a gem worth miles of travel to see.

The Thursday afternoon trip on the great river, arranged for by the New Orleans credit men, was especially worth while. It gave an opportunity to look over the wonderful dockage system of the city and observe the kind of freight which goes in and especially out of this rich Louisiana port. Those who insist upon the most highly developed modern methods had a refreshing half hour on these docks witnessing the rapid removal of the cargo of pineapples, bales of jute, etc.



which came in an endless stream from the great hulks. The river sweeps by the city in majestic curves, held firmly to its proper course by the great levees, which it would seem no possible flood, gathered though it might be with one accord from every part of the Mississippi basin, could overcome.

The business sessions of the convention proceeded smoothly and expeditiously under the guiding hand of President McAdow, and interest was maintained among the great body of delegates until the closing session. Many of those attending were surprised because of the large number of delegates from among those who have been leading the forces of credit men almost from the earliest days of the Association. None seemed more ardently enthusiastic over the wellbeing of the organization than these older men, and it argued for the future safety of the Association that their interest is not on the wane, but daily increasing.

The convention for the first time assumed the dignity of issuing an eight-page daily made up of notes suggested by the convention events, greetings from prominent credit men detained from attending and letters from members all over the country regarding local trade conditions. The *Daily* was an innovation which seemed to be much appreciated.

The return home was begun Friday evening or Saturday. Some lingered longer for recreation or business, but Saturday evening found only the remnants of the great convention. Things went smoothly for all on the home trip except for those who left on the Saturday evening train on the Southern road. This train ran into a succession of troubles which will make a chapter in the railroad experience of any one of its passengers. A freight wreck somewhere in the mountains of Alabama, east of Montgomery, necessitated a detour of some 250 miles to Birmingham, thence to Atlanta. Here heavy grades and light tracks not intended for such heavy Pullman trains, demanded slow and cautious journeying so that to the delay of four hours at Montgomery hour after hour was added until the train was eleven hours late at Atlanta. One stretch of four miles had been traversed in a little over an hour, it being fair to explain that the great train was backed up and down the steep grade two or three times, with the hope each time that a better start would be had so that the hill crest would be reached. As the four miles presented a succession of wooden trestles, it was all an exciting experience. Finally after several unsuccessful attempts the engineer resorted to his wrench, screwed down the safety-valve, ran his steam pressure up to top notch and gallantly hauled the train over the hill. Meanwhile the dining car had exhausted all its resources, with no hope of getting relief from hunger pangs till Atlanta should be reached sometime late in the evening. And so the dreary hours dragged on and the poor little engine patiently puffed along with its nine Pullmans, performing the greatest task of its life. That night the travelers went to their bunks while in Georgia instead of North Carolina, as they had expected to do.

From Atlanta the train started so late that it ceased to have the dignity of a regular and became a special, side-tracked all the way along and waiting at every station for the latest instructions. This continued all night and the following day until the orders were received, when about sixty miles from Washington, to go ahead on clear track. There now seemed a possibility of making up perhaps

fifteen minutes of the thirteen hours and the train went sailing through Virginia at the rate of between fifty and sixty miles an hour. The passengers kept reassuring each other that now surely they should be just a few minutes more than half a day late, but they figured too soon, for before any one could say the proverbial "Jack Robinson," the now disheartened passengers found themselves shooting through space, over chairs and baggage and each other, amid the sound of chunking wheels and the crashing away of every detachable part of the cars and track. They were now forty-five miles from Washington and completely wrecked. It was a scramble to the roadbed where nothing but havoc greeted the eye, but like magic the news went around that no life had been lost and all set to work to bring comfort to those who had been bruised and strained, and after several more hours of waiting the thankful pilgrims were put upon a train and backed into Washington sixteen hours late. Two ladies were considerably hurt by shock and bruises, but are said to be recovering.

The special train carrying the Pittsburgh delegates and others fared better. A stop was made at Chattanooga, where James E. Porter a leading Pittsburgh credit man entertained the delegates in an excursion over the battlefields near the city, Mr. Porter having been engaged in this struggle on the Northern side.

And so the convention is over. All have returned to their homes and the Association is already starting to make history for its fifteenth year, with an organization sound and strong in every part.

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### **An International Directory.**

One of the greatest obstacles to doing business beyond our own borders seems about to be removed by the Department of Commerce and Labor through the Bureau of Manufactures. The bureau has been collecting and classifying names of business houses in foreign countries engaged in foreign trade, including every line of industrial, commercial and financial activity. The question has presented itself, —how best to get this information before the business houses of the country. The bureau decided that the best method was to select from the classified list, concerns known to be actively engaged in foreign trade or equipped for such trade and who are regarded as financially sound and trustworthy and issue same in a directory thus securing an "International Business Directory." This work has been completed and 125,000 names selected and classified, but the bureau does not feel like asking Congress for an appropriation which will permit of free distribution. It is estimated that if an issue of 2,000 copies can be made the directory can be sold at \$2.50 per copy, or if less for \$3.00 per copy. It seems that the bureau would be warranted in expecting a much larger demand than 2,000 copies for this work and the matter is now laid before the members, because many will want to take advantage of the exceptional opportunity which the Bureau of Manufactures is affording. Orders may be sent direct to Bureau of Manufactures, Department of Commerce and Labor, Washington, D. C.

In ordering use the following phraseology:

"The undersigned subscribes to — copies of the proposed International Trade Directory at a price not to exceed three dollars per copy."

## Legal Bureau Opinions.

### I.

A member writes:

"A company in New York state owing us \$350 gave a promissory note, which after presentation, was returned unpaid. We could not grant extension of time, attached unpaid note to sight draft to their bank, advising 'Draft must be met on presentation.' Bank has held up draft although we requested them to return same.

"It has developed that a member of this company is also a director of the bank in question. If we sustain a loss what is our redress? Can the bank be held liable?"

The Legal Bureau replies: "

"If a draft is sent to a bank for collection, and that bank, by reason of its failure to use due diligence in the collection of the draft, makes the sender unable to collect from the maker, the bank is liable to the sender of the draft for any damages which the sender may have sustained by reason of the bank's failure to act properly.

"Should the bank hold a note sent to it for collection and refuse to return it to the sender, and by reason of the delay the sender is unable to collect from the maker of the note, then the bank would be held responsible for the damage caused."

### II.

A member writes:

"We have recently opened an office in Chicago, and beg to inquire if there are any legal requirements necessary in the way of registering our company in the state of Illinois for the purpose of carrying on business in that state. We do not have any plants in the state of Illinois, nor do we carry any stock in that state, simply having an office in charge of a manager under salary, and from this office business will be solicited not only in the state of Illinois, but in neighboring states."

The Legal Bureau replies:

"It is not necessary for a corporation organized outside of the state of Illinois to obtain a certificate to do business in the state of Illinois if it maintains an office in the state of Illinois simply for the purpose of soliciting business, whether within or without that state, and provided all of the orders taken by that office are sent to the home office for approval.

"Should a corporation, however, keep goods in the Illinois office from which sales are made, or should that office attempt to make a sale of goods or receive the money for the goods, even though the goods at the time were not in the Illinois office, it would be necessary to take out a certificate to do business.

"In other words, the corporation can only do interstate business, which is practically limited to soliciting orders without filling them from the Illinois office."

### III.

An Ohio member says:

"In October, 1908, we consigned a bill of goods to M. Co., a corporation under the laws of Michigan—incorporated July, 1908. The goods were to be paid for as sold and reported upon every sixty days or so. In January, 1909, the largest stockholder, M, who controlled approximately all the stock, sold his interest to A and B, B being cashier of a bank, C. A managed the business until August, 1909, but managed it to such an extent that there was but very little left to manage; so he 'skipped' and is now an exile somewhere on the face of the earth. The

bank C took over the remnants of the business and sold same to M, the former manager and practically the owner at the time we made our consignment of goods. M has a part of these goods at the present time, but claims non-liability on the ground that the goods were included in the Bill of Sale given him by the bank C. The bank C claims we should look to A for settlement and they 'hoped we would find him,' as they simply took on a few tag ends of the business on a large amount the firm owed them. They also state to us that our claim is so small it is hardly worth mentioning. Well, perhaps so, but nevertheless it would be poor business ethics to let the matter go by default without knowing the whys and wherefores in the matter."

The Bureau replies:

"A firm consigns goods to a corporation, approximately all of the stock of which is controlled by one M, the goods to be paid for as sold. M sells his interest to A and B. A manages the business for awhile and then skips and C, a bank of which B was the cashier, took over the remnants of the business and sold the same to M, the same person who had originally sold his interest to A and B. M still has part of the goods.

"Under these circumstances is the bank liable to the consignor and is M liable to the consignor?

"It would seem from the facts stated that the bank was an innocent purchaser for value, knowing nothing of the fact that the M. Company did not have title to the goods, and therefore the bank C is not liable to the consignor.

"M, although he practically owned the corporation, was still not the corporation, and when he purchased the goods from the bank he was purchaser from an innocent purchaser for value and so was immediately placed in the shoes of the bank and entitled to all the rights of the bank. He therefore became an innocent purchaser of the goods, for it is a well-settled principle of law that after property has been passed into the hands of a bona fide purchaser, a purchaser from him stands in his shoes and is entitled to the same protection as the bona fide purchaser irrespective of notice on his part.

"A and B would be liable as would the M. Company, and if it could be proven that M was the sole owner of the M. Company at the time the sale was made to A and B, the Michigan courts might possibly go back of the corporation and hold M personally liable. A suit of this nature, however, would require very strong proof, and its result would be very doubtful and would undoubtedly have to go to the highest court of the state before any judgment obtained became final."

#### IV.

A member having an assignment account in the state of North Dakota, asked what redress he has in case it be found that the consignee has taken money belonging to the consignor to pay debts due and owing other creditors.

The Legal Bureau replies:

Under the laws of the state of North Dakota, if a consignee take money or property belonging to the consignor, he is guilty of embezzlement and may be prosecuted criminally.

The consignor may also bring, if he so desires, a civil suit in which he may obtain an order of arrest on the ground that the consignee was acting in fiduciary capacity and under the Code of Civil Procedure of North Dakota he may be arrested in such civil action, having taken money or property in his hands as agent.

Under the terms of any proper consignment contract, it would



seem that there could be no doubt that the consignee would be arrested in a civil suit, if he cannot account for any of the goods or the proceeds of the sale of any of the goods sent him.

V.

A member writes:

"We would like to have some information from you in reference to the New York State law in requiring registration of foreign corporations. We are an Ohio corporation that has no headquarters outside of Cleveland. We have an agent in New York City, who works on a commission basis. He has sold a bill of goods to parties within the state. It is now necessary for us to sue in order to secure payment for these goods. The attorney to whom we sent our claim has written us that the defendant, who, by the way, is an attorney and also secretary of the company, says that he will put up as a defense the fact that we have not obtained a certificate for doing business within the state of New York.

"Inasmuch as we have no headquarters within that state we would like to know if it is really necessary to obtain such a certificate, or if our case would come under the head of 'Interstate Commerce.'"

The Legal Bureau replies:

"The doing of business by a foreign corporation within the state of New York is governed by Section 15 of the General Corporation Law, and this section has been interpreted recently by the Court of Appeals of this state in the case of Penn Collieries Co. vs. McKeever, 183 N. Y., p. 98, and the People of the State of New York ex rel A. J. Tower Co. vs. Wells *et als* as commissioners, 98 App. Div., p. 82 affirmed 182 N. Y., 553. Under these cases, the doing of one single act of business does not make it necessary for a foreign corporation to take out a certificate enabling it to do business in the state of New York; and furthermore, a corporation is not doing business unless it sells goods within the state and has capital employed here and invested in its business within this state.

"If the inquirer has a bank account here and its agent make sales within the state without first sending the order to the home office for approval and the sales are made from goods already within the state, then no suit can be brought. Otherwise, suit may be brought without the certificate under the doctrine laid down in the Tower case above cited."

### Can You Assist in Finding These Debtors?

It will be appreciated if those having any clue as to the present whereabouts of the following, communicate their information to the National office:

Samuel B. Bromley, till very recently doing business at Catlettsburg, Ky., as Bromley Grocery Co.;

C. Kauffman, formerly in the furniture business at Wilkesbarre, Pa.;

F. Devereaux, formerly of Anoka, Minn.;

Gust A. Carlson, formerly of Cambridge, Minn.;

Ewing & Ewing, formerly of Mt. Gilead, N. C., understood to have gone to Tennessee;

Ben Rothstein, formerly of Passaic, N. J., now said to be in the boot and shoe business somewhere on Long Island;

Chas. Stevens, formerly in business at Eau Claire, Wis., handling a general line of goods. Suddenly left Eau Claire owing a large

number of creditors; supposed to have moved to the southern part of Wisconsin, remaining there but a short time and then went to northern Michigan;

M. Shattls, formerly doing a ribbon jobbing business at 19 Wabash Avenue, Chicago, Ill. He sold the florist trade principally;

W. E. Hubbard, formerly of Ardmore, Okla., and afterwards of Des Moines, Iowa;

M. E. Fahey, who until a few months ago was at Humboldt, Iowa;

Moses Blumenfeld, formerly dealer in window glass, picture frames, window shades, etc., at 739 Bergenline Avenue, West New York, N. J.;

C. H. Miller, formerly trading at Pittsburgh, Pa., Penn Avenue, as C. H. Miller Coffee Company;

I. M. Nachumsohn, at one time located at Lewiston, Me., as a clothing and men's furnishings merchant;

Max Goldberg, formerly located at 25 Suffolk Street, New York, N. Y.;

Joseph Lerman, formerly at 3911 Third Avenue, New York, N. Y.;

T. E. Fitzpatrick, formerly in the contracting and building business at Washington, D. C., Colorado building; understood to have gone to San Francisco;

Albert Krohn, formerly proprietor of the Abbeville Machine & Repair Shops at Abbeville, La., said to have removed to a Texas point, possibly Houston or Port Arthur;

A. G. Mins, formerly connected with the Standard Fire Extinguisher Co., Kansas City, with an office at New Orleans, La.;

C. F. Coutts, of J. F. Coutts & Sons, formerly in the furniture business at Clarksville, Tenn., last heard of at Cincinnati, O., representing a furniture house;

R. W. Ashworth, formerly a druggist, located at Dover, Mo. Thought to have gone to Houston, Texas;

John J. Curry, formerly located at Nortonville, Ill., conducting a general store;

M. Baskind, formerly of 425 Schapin Street, South Bend, Ind., said to have gone to Chicago;

Wm. T. Larkin, who formerly conducted an auction business at 326 W. Lexington Street, Baltimore, Md.;

P. G. Jorgenson, a plumber, recently doing business at Waseca, Minn., traced to Spokane, Wash., but seems to have disappeared from there;

H. Rich, formerly in the dry goods business at 1611 Market Street, St. Louis, Mo., burned out and failed;

E. P. Postell, formerly of Welaka, Fla.;

C. C. Cummings, formerly of Burdette, Ia., and afterwards of Des Moines, Ia.;

Klinger Bros., formerly of 1562 E. 105th Street, Cleveland, Ohio;

J. R. Collins, formerly of Eden, Ga.;

Zucker & Bloomfield, formerly of West Third Street, Mt. Vernon, N. Y., engaged in paint business;

J. E. Swift, formerly located at Simsboro, La.;

P. A. Melton, formerly of Anniston, Ala., in dry goods and men's furnishings business;

W. W. Edwards, formerly Chancery Clerk, at Starkville, Miss., later in advertising business at Dallas, Texas. Is quite successful as an artist in water colors;

H. L. Mitchell, formerly in the newspaper business at Coahoma, Texas, and last heard of at 306 Commerce Street, San Antonio, Texas;

C. C. Jinks, formerly in the printing business at Teague, Texas, and last heard of at Henrietta, Okla.;

Carl Campana, formerly manager of the Shreveport Printing Company, Shreveport, La.

S. B. Norris, formerly in the electrical supply line at Batesville, Ark.;

J. S. Mann, formerly located at Norristown, Pa.;

Samuel Kaufman, formerly of Marion, Ohio, engaged first in the shoe repairing business and afterwards in the retail confectionery line. Came to Marion from Cleveland.

Leon Chicstek, formerly of Perth Amboy, N. J.

### **Award of Prizes for the Best Articles on Credit Department Topics.**

It will be remembered that announcements were made early in the year of a series of awards which had been determined upon by the Board of Directors for the best articles on credit department topics. The committee placed in charge of the competition consisted of Ira D. Kingsbury, chairman of the Credit Department Methods Committee, J. Edward Stilz, chairman of the Business Literature Committee and Chas. E. Meek, secretary-treasurer of the Association.

The committee made the announcement of awards at the New Orleans convention and as a matter of general interest the announcement is here presented. Beginning with the August BULLETIN the articles offered in this contest will be given in successive issues.

#### **CLASS I.**

The subject under this class was "Methods for opening a new account by the credit department."

The awards were as follows:

First Prize, \$50.00—J. H. Scales, Belknap Hdw. & Mfg. Co., Louisville, Ky.

Second Prize, \$30.00—Edward Sebastian, Bradner Smith & Co., Chicago, Ill.

Third Prize, \$20.00—Oscar A. Kleppisch, Guthman, Carpenter & Telling, Chicago, Ill.

Honorable Mention—Leon Joseph, Wilmerding-Loewe Co., San Francisco, Cal.

D. W. Pomeroy, The Rice & Hutchins St. Louis Shoe Co., St. Louis, Mo.

#### **CLASS II.**

The subject under this class was "Collections and how to handle them."

The awards were as follows:

First Prize, \$50.00—L. John Bergman, Pass & Seymour, Inc., Solvay, N. Y.

Second Prize, \$30.00—John S. McCoy, The Welsbach Co., Philadelphia, Pa.

Third Prize, \$20.00—A. R. Markel, Columbus Chain Co., Columbus, Ohio.

Honorable Mention—Leon Joseph, Wilmerding-Loewe Co., San Francisco, Cal.

D. W. Pomeroy, The Rice & Hutchins St. Louis Shoe Co., St. Louis, Mo.

### CLASS III.

Under this class the topic was "Credit department of a bank, its organization and operation."

Responses under this subject were so few that it was decided by the committee to extend the period of contest, and it is hoped there may be many of our bank members who will take advantage of this opportunity. The first prize will be \$30.00, and the second prize will be \$20.00. Articles are limited to fifteen hundred words.

#### Two Recently Enacted Laws of Interest to Credit Men.

The fictitious name law, a measure of great interest to credit men, was enacted by the Rhode Island legislature at the last session. It is printed in full especially for the benefit of our members who by reason of brief connection with the Association are not posted as to the provisions of the law.

*An Act to regulate the carrying on of business under an assumed or fictitious trade name.*

*It is enacted by the General Assembly (of Rhode Island) as follows:*

SECTION 1. No person or persons shall hereafter carry on or conduct or transact business in this state, under any assumed name, or under any designation, name or style, corporate or otherwise, other than the real name or names of the individual or individuals conducting or transacting such business, unless such person or persons shall file in the office of the town or city clerk in the town or city in which such person or persons conduct, or transact, or intend to conduct or transact such business, a certificate setting forth the name under which such business is, or is to be, conducted or transacted, and the true or real full name or names, both Christian and surname, of the person or persons conducting or transacting the same, with the post-office addresses of said person or persons. Said certificate shall be executed and duly acknowledged before some person authorized to administer oaths by the person or persons so conducting or intending to conduct such business.

SEC. 2. Persons now conducting such business under an assumed name, or under any such designation referred to in Section 1 of this act, shall file such certificate as hereinbefore prescribed on or before August 1, A. D. 1910, and persons hereafter conducting or transacting business as aforesaid shall, before commencing such business, file such certificate in the manner hereinbefore prescribed.

SEC. 3. The several town and city clerks of this state shall keep alphabetical indexes of all persons filing certificates and of all names and styles assumed, referred to herein, and for the indexing and filing of such certificates town and city clerks shall receive a fee of twenty-five cents each. A copy of such certificate duly certified to by the town or city clerk in whose office the same shall be filed, shall be presumptive evidence in all courts in this state of the facts therein contained.

SEC. 4. This act shall in no way affect or apply to any corporation duly organized under the laws of this state, or to any corporation organized under the laws of any other state and lawfully doing business in this state, nor shall this act be deemed or construed to prevent the lawful use of a partnership name or designation, provided that such partnership name or designation shall include the



true or real surname of at least one such person transacting such business.

SEC. 5. Any person or persons carrying on, conducting or transacting business as aforesaid who shall fail to comply with the provisions of this act, shall be imprisoned not exceeding one year, or be fined not exceeding five hundred dollars.

SEC. 6. All acts and parts of acts inconsistent herewith are hereby repealed.

SEC. 7. This act shall take effect on July first, A. D. 1910: Provided, that any person or persons now conducting such business under an assumed name, or under any such designation referred to in Section 1 of this act shall not be required to file the certificate prescribed in this act until August first, A. D. 1910.

In Ohio the false statement law, based upon the bill drawn by the Association in conjunction with the American Bankers' Association, has been put upon the statute books. The law as in Ohio is as follows:

TO PUNISH THE MAKING OR USE OF FALSE STATEMENTS TO OBTAIN PROPERTY OR CREDIT.

*Be it enacted by the General Assembly of the State of Ohio:*

Any person who shall knowingly make or cause to be made, either directly or indirectly, or through any agency whatsoever, any false statement in writing, with intent that it shall be relied upon, or, knowing that a false statement in writing has been made by another with such intent, respecting the financial condition, property, indebtedness, means, or ability to pay, of himself or any other person, firm or corporation, in whom or which he is interested or for whom or which he is acting, and upon the faith thereof he or some other person acting for or in collusion with him or with his knowledge, procures in any form whatsoever, either the delivery of personal property, the payment of cash, the making of a loan or credit, the extension of a credit, the discount of an account receivable, or the making, acceptance, discount or endorsement of a bill of exchange or promissory note, either for the benefit of himself, or such person, firm or corporation, shall, if the value of the thing or amount of the loan, credit or benefit procured is thirty-five dollars (\$35.00) or more, be deemed guilty of a felony and be fined not more than one thousand dollars (\$1,000.00) or imprisoned in an Ohio penitentiary not more than six (6) years or both, or if the value be less than that sum, be deemed guilty of a misdemeanor, and be fined not more than one hundred dollars (\$100.00) or imprisoned in the county jail or workhouse not more than six (6) months, or both.

#### **What a Fire Insurance Committee of a Local Association Found to Do.**

Those who have any question as to the importance of our local association studying fire insurance and who can think of no good work a fire insurance committee can undertake, will have a change of thought on reading the report of the committee of the St. Louis association, made to the annual meeting of May. The report is as follows:

"Your committee on fire insurance has done its best to further the objects of the association along fire insurance lines, and to attain that end has furnished articles from time to time to various trade magazines. We also have urged members (through our local bulletin) to purchase enough of the association pamphlets, entitled 'Burning subjects,' to supply their customers and salesmen.

"The members of your committee also personally discussed insurance and prevention with numbers of merchants and found them all glad to talk about the subjects and anxious for information, as most rely upon their local agent to see that they are properly covered and in good companies.

"Out of about thirty merchants approached by members of the committee only one had been careful enough to see whether his policies were correct or not—he had turned them over to an attorney for examination.

"One member of the committee found three merchants had policies that would probably be worthless in case of fire because the insured had not obtained the insurance company's permission to generate illuminating gas on the premises. (This is forbidden in all policies and must be consented to by the insurance company.)

"We have found our efforts to reach some of the merchants through salesmen, credit men and trades papers bearing fruit, and thus we hope in time to instill the idea into the minds of many to see if their insurance be adequate and covers the particular risk. We told them something about their policies, how to find out if their companies were responsible and what the main causes of fires are.

"We found a number of instances where the insured failed to recover on their policies after fires (1) because the company or companies did not exist; or (2) through insolvency of the insurance company, as in a recent fire in Marissa, Ill., a policy was found worthless because the company had gone into the hands of a receiver a couple of months previously and the local agent neglected to notify the policyholder; (3) through the failure of the insured to comply with the conditions of his policy. We urge you by all means to try to get your salesmen to coöperate with us in educating customers about policies and fire prevention.

"Your salesman can do more in five minutes' talk than our association can by any means in its power. He can call a merchant's attention to a violation of the conditions of a standard form of policy, as for illustration: All policies prohibit certain things on the premises, amongst them being fireworks and gasoline. The question then comes up, 'Does your policy permit you to have gasoline in your store or does it permit you to have fireworks in your store?'

"It does not unless it states in writing. The 4th of July is coming and many of your customers will void their policies.

"Your salesman will also visit many stores that make their own gas for illuminating purposes. 'Did the company consent thereto in writing?'

"As to causes of fire in stores the fire marshal of Ohio in his annual report for 1908 gives the following as being the cause of 312 fires out of 374:

Adjoining fire .....	72	Kerosene lamps .....	6
Defective flue .....	22	Matches .....	28
Defective furnace .....	2	Smokers .....	24
Electric wires .....	22	Sparks from Chimney .....	7
Fireworks .....	5	Sparks from Locomotive .....	5
Gas explosion .....	6	Spontaneous combustion .....	11
Gasoline explosion .....	7	Unknown .....	65
Gasoline stove .....	5	Woodwork from stoves .....	15
Incendiary .....	10		

"Your committee recommends that all members of the association help spread the news as to causes of fires, so that our friends and customers will know what to guard against, and also help them to see that their insurance covers them, through the medium of your salesmen or by personal talks."

## SELLING BRAINS.

ADDRESS BEFORE THE FARGO ASSOCIATION OF CREDIT MEN  
BY DR. A. G. ARNOLD, FARGO, NORTH DAKOTA.

A liberal education is an essential qualification of a business man. It cannot be disputed, nor can it be cried down with clamorous shouts that education has not played an important part in the progressive drama of business life. Education is a necessary adjunct to business. One is essential to the other. A business man in this progressive age needs a "keen observation, a quick mental grasp of new ideas and a wide range of knowledge." It is the object of education to develop these powers. It makes no difference whether the education is obtained in the school room, or in the university of experience. An education is necessary.

After a careful study of the economic conditions of this and other countries and an intelligent perusal of the best ideas of the master minds of all ages, one can readily see that the great development in the business world has been due to three distinct characteristics, namely—initiative, integrity and intense earnestness. These qualities are the pillars upon which all great business enterprises have built their ultimate success. If the banker, the jobber, the manufacturer, the merchant, the salesman, lack these sterling traits, or fail to develop them, their success is only mediocre. Ninety-five per cent. of the business men in the United States fail because they do not lay enough stress upon the importance of these qualities of success.

Initiative is the most valuable asset in business. It is the secret of progress—this power of constructive thinking. It is thought, when crystalized into action brings results. Elbert Hubbard says: "Initiative is doing what needs to be done without being told." The man who uses his head and mixes brains with his work is the man who forges ahead. "Brains influence brains." He has the spirit of initiative. It is the hidden constructive power that lies in the creative part of the brain. The difference between the man who digs the ditch and the man who bosses the job lies in the power of initiative. The banker who uses initiative usually gets more and better deposits than the one who allows the faculty to lie dormant. The business man—either the manufacturer or the merchant—will do a bigger business with it than without it. The salesman—the "business getter"—"the man who furnishes the steam that pushes the piston" will sell more goods with initiative than his companion without it. It was the initiative spirit in the late Harriman that made it possible for him to connect the Atlantic with the Pacific, the north with the south, by means of a railroad. It gave James Hill the title of the empire builder. Marshall Field built the biggest store in the world with the exercise of this faculty. Without it the name of Wanamaker would never have been heard of. It gave \$5,000 to the man who originated the term "Uneeda Biscuit." McCormick used his initiative power and revolutionized the problem of farm labor. Senator Beveridge has

said that over three-fourths of our young lawyers to-day who "set up a practice" in different parts of the nation fail because they have no initiative—no power to go after business.

Last summer I stood on the top of Lookout Mountain and gazed down upon the most inspiring and beautiful scene the eye could ever witness. At my right, Orchard Knob and Missionary Ridge rose in all their civic majesty and patriotic splendor. On my left was historic Hooker's Gap. At the foot of the mountain the Tennessee River flowed and curved in a convolution, forming the famous "Moccasin Bend" or Indian Shoe. It was a clear day and I could not only see the geographic lines of seven southern states, but also hear the rumble and the roar of the busy Chattanooga, the railroad and manufacturing center of the south below me. I knew that as the initiative of God had created and given to America the historic and wondrous Lookout Mountain, it was the initiative of man that reconstructed Chattanooga; built a network of railroads in and around it, established cotton mills, iron works, steel works, flour mills, car shops, manufacturing concerns of chemicals, nails and carriages and made it the industrial center of the south. I realized, as I stood there and viewed the most beautiful scene in the world, that the incline cable road (said to be one of the longest and steepest in the world) which made it possible for me to ascend the mountain in ten minutes, was due to the initiative of man. Initiative spells business success.

Initiative combined with "integrity is business capital." The story of truth is never too old to be told. There is no vocation of man where the quality of truth is so important as in business. The minister, the orator, the statesman may preach the gospel of truth, the poet may write about it—but the business man must practice it. It is his daily food. Business is defined as a system of trade with a principle and a method. The principle is truth—the method honesty in every detail. If a salesman misrepresents the "goods of the house," he not only gives the house "a black eye" but he also weakens his own selling power. Truth and trade are synonymous. Where there is one—there is the other. Confidence is an attribute of truth. Destroy the confidence one man has in another and you cripple business. Honesty, or integrity is a cleanser which purifies business.

The business man who has the power of initiative and is honest is usually in earnest about his work. He has the quality of intense earnestness. It is this zeal that causes him to understand his business. Earnestness means enthusiasm. In glancing over the pages of the notable works of "Who's Who in America" and "Who's Who in the World," one can very easily comprehend the full meaning of the words intense earnestness, or enthusiasm. The names of all the men recorded in these useful volumes would never have been, had they not shown an interest, or an enthusiasm for their work. The enthusiasts with capacity are the really great men in business, in law and in education. The man who can generate enthusiasm in his business and impart that spirit to his subordinates and his salesmen is the most effective power in the business world. The great onward strides in business have been due to the men of fire, of steel, of energy, of brains, of initiative and of integrity. The business men who are in earnest are the men who work, because they love their work. A young man once asked Chauncey Depew what the secret of success was. Mr. Depew replied: "My boy, there is no secret to it. It is just dig, dig, dig." The hardware man studies his business because he



believes in it—because he is earnest about it. The enthusiast is the man who “gingers up and gets into the game.” Environment means nothing to him. It is stuff, soul stuff that counts with him. He wants the same epitaph inscribed on his tombstone that Jack King had on his: “Life ain’t the holding of a good hand; but the playing of a poor hand well.”

Business is a great battlefield upon which millions of men are fighting and upon which many more must depend. That it has been an important factor in the development of the United States is a recognized fact. It has erected schoolhouses and churches, built cities and railroads, and added much to America’s material success and prosperity. The secret of the American business man’s success lies in his power of initiative, the integrity of his character and the intense earnestness he manifests in his work. These three qualities have placed him above every other business man in the world. They have helped to strengthen the title of an American.

You may strike a day or two  
When the world looks mighty blue,  
Keep hustling.

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### Some Promises that Are Implied in Transactions Between Buyer and Seller.

With the purpose in mind of educating the retailer to the reasonableness of the wholesaler’s demands in asking for a strict observance of the terms of sale, a credit man has prepared very cleverly, a statement explaining the general principles which must underlie trade if it is to go on smoothly and satisfactorily. His statement is especially good because it starts out with a general argument which nobody could possibly object to. It aims at no one special fault and therefore singles out no special customer. Then with the reader in entire accord with him, the credit man, following the line of thought without a break, makes the question of non-observance of terms of sale fit into his general argument.

The letter is mailed in a plain envelope to a slow or delinquent customer, the envelope bearing no marks of identification. The delinquent may suspect the source of the mailing, but is not sure and can only conjecture. The letter reads as follows:

“It is the little things that make for harmony or friction, as it is the little things that make up the sum of life. Every wholesale house, to be successful, must have an individuality of its own, and the larger the house the more thorough must be its system and methods. It would end in endless confusion for a house to try to adapt itself to the various and varying methods—up-to-date, out-of-date and hybrid—of its hundreds and thousands of customers.

“In opening an account with a house, there is an implied promise on the part of the customer to acquiesce in the policy of the house. The question of interest on overdue accounts, for instance, is not a matter for discussion. It is recognized by law and commercial usage, and there is no more excuse for a controversy over it than over the agreed price of an article of merchandise.

“The wholesaler’s terms of cash discount should always be strictly observed by the retailer when anticipating payment. One has no more right to deduct discount in excess of what the wholesaler’s terms

allow or after the given time has run than he has to take part of the goods and not pay for them.

"Neglect to answer correspondence is a more fruitful cause of friction than any other. Sometimes the reply is but partial, as a remittance without any reference to the subject matter of the letter received. It is my observation that it is this lack of attention to detail that not only affects relations between the retailer and his house unfavorably, but is a serious detriment to success.

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### **A Law Aimed at Private Bank Frauds.**

A law was enacted at the last session of the New York legislature, with the object of bringing under state supervision and control the large class of irregular unchartered banking institutions conducted by individuals, partnerships and associations, which usually, in conjunction with the sale of steamship tickets, receive money on deposit and for transmission abroad, almost exclusively from aliens. While this law is not directed at any weakness in the banking system of the state, because the class aimed at was no part of that system, it is still a very important law because it will serve to protect that great body of aliens whose ignorance and credulity lay them open to serious losses.

These so-called banks perform functions differing materially from those of the regularly chartered national or state banks, or the well known private banker and of the quasi bank conducted by department stores and express companies. They flourish chiefly in the quarters frequented by the lately arrived Italians, Hungarians, Jews, Russians, Slavs, Greeks and Syrians. They are often side businesses carried on in connection with grocery stores, saloons, barber shops and other businesses. In 1908 there were records of more than 500 in New York City, 40 in Buffalo, 14 in Utica, 12 in Syracuse, 10 in Rochester, 9 in Schenectady and 3 in Albany, and probably there are many more. Scandals and frauds have been frequent, owing to the want of regulation and the impossibility of bringing them under the regular banking law.

It was at first proposed to bring these small private banks under the control of the state banking department, but the Superintendent of Banks was unwilling to approve of a measure placing this class of private bankers under his control, under the conditions indicated, it being his opinion that to do so would tend to lower the standard and reputation of the state banks now within the jurisdiction of the banking department, while such banking business could not be made the subject of inspection as treated in the same way as regular banking institutions. It was decided, therefore, to treat these private banking agencies as subject to the "general business law" and to bring them under the supervision of the State Comptroller, who is a fiscal officer, and whose office, which receives reports on transfers, certificates, corporation tax filed there, was considered the best adapted to exercise control in the matter.

Under the law of 1907, known as the "Wells law," the Comptroller was given power over this species of banks by the enactment that all private bankers who, in conjunction with the sale of steamship tickets, accepted money for transmission, should file with the Comptroller a bond approved by him for \$15,000. This law, however, has proved ineffectual. In the financial panic the losses sustained by the depositors in this class of private banks ran into the millions. The ease with

which money could be obtained and the lack of regulation made it possible for untrained, illiterate and recently arrived immigrants to embark in the business. It was easier to become a banker (though the use of the term "bank" was made illegal) than to open a saloon or barber shop or run a push-cart. More money is transmitted abroad through these banks than is sent by the aliens through the post-office. Many of such bankers succumbed to the temptations of speculation. Some absconded, taking their books with them. In one year, from September, 1907, to September, 1908, the known liabilities of such insolvent banks amounted to \$1,459,295, with nominal assets. The bonding companies almost uniformly refused to pay until suit was brought, which was infrequent, on account of the small individual claims. It was also claimed that the "Wells law" was unconstitutional, and defences were protracted.

The new law makes it incumbent upon any one engaging in the business of receiving deposits of money for safe keeping, or for transmission, or for any other purpose, to obtain a license first from the State Comptroller. The applicant must make a deposit of \$10,000 in money or stated securities with a bond. The fee for the license is \$50. The place of business must be described in the license, which is not transferable. The money and securities deposited with the Comptroller and the money paid on the bond in case of default are to be a trust fund for the benefit of the depositors of the licensee and these beneficiaries are to be entitled to an absolute preference over all general creditors of the licensee.

The licensee is further to keep books of account and file quarterly statements with the Comptroller under oath of assets and liabilities. The licenses are revokable for cause shown, and penalties are imposed for conducting business without a license and using the word "banking" or "banker" or publishing advertisements of a misleading character. Failure to make proper reports involves a penalty of \$100 a day. All moneys received for transmission to a foreign country are to be forwarded within five days of the receipt.

The bill does not apply (1) to any corporation or "individual banker" authorized to do business under the provisions of the banking law, nor to any association organized under the national banking act; nor (2) to any hotel keeper who shall receive money for safekeeping from a guest; nor (3) to any express company or telegraph company receiving money for transmission; nor (4) to any individual or partnership receiving money on deposit for safekeeping or for transmission to others, or for any other purpose, where the average amount of each sum received on deposit or for transmission by such individual or partnership in the ordinary course of business during the fiscal year shall not be less than \$500; (5) to any individual or partnership who shall file with the Comptroller a bond in the sum of \$100,000.

For the purpose of the law the Comptroller is to establish a bureau of banking licenses.

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The National office has a limited number of copies of the "Convention Daily," issued each morning of the convention, May 17-20, 1910. They contain mainly reports on trade conditions written by Association members from all over the country. The Daily may be had upon request as long as the supply lasts.

**CREDIT RESTS ON CONFIDENCE, CONFIDENCE ON  
HONESTY, AND COÖPERATION ESSENTIAL TO  
THE MAINTENANCE OF BOTH.**

BY RIGHT REV. BISHOP ALEXANDER C. GARRETT, BEFORE THE DALLAS  
ASSOCIATION OF CREDIT MEN.

The United States being a great nation of many states and territories under one government, with certain rights reserved to the individual states, the commerce between the states resembles in some respects our trade with other nations. The raw materials produced in one section are transported to other portions of the common country for consumption and manufacture.

Out of this condition arises the interstate commerce, which demands facilities of transportation and large wholesale houses for the distribution of commodities. To regulate all this growing business wise and equal laws are imperative. To secure these is largely the purpose of this association.

The resources of all nations must ultimately rest upon the supplies stored by nature in the soil and climate of each country. These again are affected by the length of time they have been in use and the character of the population.

The continents of Europe and Asia have become so overcrowded that large numbers of their people are simply pressed out and obliged to seek means of nourishment in other parts of the world. The continent of North America affords the most attractive sphere for great numbers of these adventurous homeseekers; and of these the United States is receiving very much the largest share. Through vast periods of geologic time a beneficent Providence has been preparing this land for the support of a great population. Immense stores of coal, iron ore, gold, silver and precious stones were laid up as treasures awaiting intelligence and industry for their development, while mountains, hills and valleys, rivers and streams, lakes and springs innumerable were ready to yield their uncounted wealth for the enrichment of the people who should be privileged to dwell there.

These conditions have had a powerful influence on the commerce of the world. Trade relations with all nations whose people came in large numbers to our shores were imperative. Steam has almost annihilated distance, while the electric cables bring to our breakfast table the news of the world before the rising of the sun. The whole earth has thus become like a small estate. If our ex-President shot a lion in Central Africa the interesting fact is known from New York to California before the smoke has cleared away. Hence treaties with the most favored nations for the government of our commerce and the regulation of our trade relations are profoundly important and call for the highest qualities of statesmanship.

Turn which way you will, it is important to understand the significance of this matter. A flutter in wheat, cotton or wool in Liverpool sends its wave all around the earth and breaks on every shore. A single speck of trichinosis in a shipment of pork from Cincinnati to Berlin may easily be felt as a shock to trade in two continents. A little extravagant speculation in London, Paris, Berlin, New York or Tokio, may send an earthquake quiver through every nation and generate a financial panic with very disastrous results.

The commerce of the world must be regulated by international law, agreed upon and accepted as binding by all concerned.

But what security is there for the just enforcement of this law?



Only the integrity of commercial ethics. Certain fundamental principles of moral obligation must be recognized by all nations as binding upon all. In such matters honesty and fair dealing are absolutely essential. The same code must prevail in Japan and our dealings there as in Germany or England. When we consider the differences in hereditary customs, in environment and education, in the basic principles of civilization and government by which we are distinguished from other nations and races, this uniform ethical code may well seem difficult of attainment. Yet upon this the peace of the world and the harmony of our trade relations with other countries absolutely depend. What is honest and fair in the United States must be honest and fair in China and Brazil. Here the duty of coöperation among all civilized races to maintain those principles of equity in their dealing with each other and with foreign power is apparent.

The basis of trade requires a recognized standard of values by which the real worth of all goods in their respective countries may be gauged. It makes little difference what the standard is, whether gold or silver or shells, so long as all with whom we trade coöperate and agree in its recognition.

Into this great question the problem of transportation enters as of prime significance. Large investments of capital are necessary to provide facilities for the interchange of commodities. Every merchant, manufacturer and trader, every farmer and fruit grower, every producer and every consumer, all are deeply interested in this problem of transportation. By this the wealth-producing power of every nation is limited. If the things produced in any region cannot be easily carried to the markets where they are in demand they will soon cease to be produced. Hence co-operation with the great railroad and steamship systems in an effort to improve such facilities would seem to be the wise policy of all business men. Hostility to large combinations of capital for the efficient execution of large enterprises appears little short of economic suicide.

The prosperity of the nation results from such economic conditions as may bring the greatest good to the greatest number. The privileges of the few must not be allowed to override the rights of the many. The treasures stored by nature beneath the crust of the earth and the forests and waters of its surface should not be allowed to be exploited by grasping speculators, but carefully conserved for the general benefit of all the people. To this end wise laws should be enacted and due care taken for their righteous administration.

The diffusion of knowledge by broad and liberal education and the generous culture of high ideals are our best security against the covetous ambition of class interests. The cosmopolitan character of our population gathered from all parts of the world, of many tongues and divers habits and modes of life, increases the difficulty of the situation. They must be blended into a common brotherhood and their mutual discords harmonized by methods at once wise and generous. Upon the men who conduct the business of the country rests the burden of responsibility in this. The "government of the people, by the people and for the people" sound the keynote of this grand anthem of national harmony and prosperity.

Confidence is the basis of credit. In the development of a new country there is constant demand for the investment of capital. New towns have to be built, roads constructed, bridges erected, farms

opened up, mines and other latent resources developed, schools and colleges founded, mills and foundries established, agencies for the administration of justice and mercy provided, and in short the countless instrumentalities required by our modern civilization for the comfort and happiness of our people must be supplied.

How shall all this be done? Manifestly the latent resources must be at least partially developed before any returns can be realized. What is essential to this? Confidence in their existence and productiveness. What then? Confidence in those who undertake the development. What then? The principles of credit furnish the machinery and means to begin the work of development.

Upon this basis rests our banking, loan agencies, wholesale houses, and, in short, the entire commerce of the country. Thus credit rests on confidence, and without it must soon cease to exist.

How shall this confidence be sustained? Coöperation is its best security.

By this means just and equal laws can be obtained. This association of credit men is familiar with the laws governing trade relations throughout the world and more especially with those in force in the several states of the Union. You know wherein those laws are weak and defective. It is the exact business of this association to unite and use the combined influence of the whole body in coöperation with the interests it represents to obtain such legislation in every state as may secure honesty and fair dealing in every department of business.

This will involve the patient education of all the people in the principles of commercial honesty and civic righteousness. To raise the ethical tone of a community requires the active coöperation of every good citizen; to raise that of the nation demands the combined efforts of all the people. It is the business of this association, as far as its influence may extend, to create an enlightened public opinion upon all questions of public morals, for where the people rule there is no power superior to public opinion.

Look for a moment at this great state of Texas. For centuries the Indian and the buffalo held undisputed sway. Its rich, alluvial prairies of the cretaceous era lay kissed by the suns of summer and swept by the winds of winter, but untouched by the hand of industry.

The treasures of the carboniferous era slept undisturbed beneath their stratified sandstone covering. The great oil fields, extending from Henrietta to Beaumont, held their liquid fuel, impatient of delay. The mighty forests of long-leaved pine along the eastern border gathered in harmonious cadence the music of ten thousand times ten thousand hammers.

Such it was. What have we now?

We have ribbed the prairies with bands of steel extending over thirteen thousand miles, and with oil and coal feeding our fiery horses transport by a thousand trains a day the products of our industries to the markets of the world. We have harnessed the lightning to our interurban cars and compel the viewless air to carry our words to all the nations of the world while the laggard earth sleeps upon its axis. We have built cities where the prairie dog and the coyote once reigned supreme, and we are going right on founding and building others.

What is the secret of it all? Confidence in the vast resources of our unrivaled country; confidence in the energy and honesty of our growing population; confidence in our ability to repay reasonable interest upon large investments of capital, and, lastly, confidence in

the ready co-operation of all honorable citizens in securing the enactment of righteous laws and the adequate protection of our credit at home and abroad.

Ambition be thine aim, and religion and morals will consecrate thine efforts.

## CHARGING INTEREST ON OVERDUE ACCOUNTS.

### THREE CONCERNS OF THE NORTHWEST GIVE TESTIMONY REGARDING PRACTICABILITY AND RESULT OF APPLYING THIS PRINCIPLE.

At a recent meeting of the Minneapolis Credit Men's Association was presented testimony from three houses of the Northwest which had resolutely set their faces toward the principle of charging interest on overdue accounts. Credit men will find these papers interesting reading, and let it be hoped that some who have been hesitating between what seemed right and what expedient will be persuaded through the experience here given to choose the former course.

It looks as if such a decision would not result so disastrously as most of us are inclined to anticipate.

#### FIRST PAPER.

In treating this subject I shall assume it is a new one, requiring argument to carry conviction, and justification in making this charge on our books, and while it is a false assumption as to newness, I am satisfied after years of experience and reading numberless letters from customers, wherein they advise that no other jobber does or ever has charged them interest on open accounts and after making due allowance for the class who consider it legitimate to add to their profits by juggling with the competition of jobbers as well as the truth, I am satisfied it is a subject too much neglected, winked at, or half heartedly done, not to merit our fullest consideration and determination to work improvement.

All jobbers and manufacturers buy their goods or raw material on fixed and definite terms, either discounting, paying at maturity, or giving interest bearing acceptances. This in turn makes necessary the fixing of definite terms for their customers, which I believe in most cases does full justice in its descent, by giving to the retailer as much as is enjoyed by the jobber. I shall conclude that all jobbers and manufacturers make settlements for their purchases in one of the three manners above indicated, and if not, that they are undoubtedly invited to do so, hence the terms on which they buy, mean something, but how about the next class—the retailer. When we come to analyze our books we find our customers divided into six classes, and that terms which are rigidly enforced on us for payments, mean little or nothing to a very large percentage of our trade. This is owing to our country being largely agricultural, affording but one general pay day, so to speak, making large lines of credit and long time a necessity of liberal trade in this section. This condition, however, but adds strength to our argument. Of the above named classes we give the discounter first place, and this class is growing, owing to our fine local conditions. Next we name the man who pays when due on regular terms, much prized, but in our business so small in number as to be scarcely recognizable in comparison with the whole. Thirdly, the customer who settles by note, representing a most respectable number and volume, and among our most valued trade. The next, and possibly the class representing our greatest volume in dollars, are those who pay on account

as they can and make one or two note settlements a year. Among these are many of that peculiar temperament who will pay interest on a note but object to the charge on open account, and we strike our first snag. The fifth class, numerically larger than all the others combined, is composed of those who make payments from time to time, require carrying generally, want all there is coming to them and then some, give you only a portion of their trade, object to note settlement, and won't pay interest if they can avoid it, and lastly, but not soon forgotten, those who don't pay at all, and represent our special friends at the annual meeting, when we are called upon to report what the harvest has been.

I shall undertake to put aside as too pernicious for second thought, the possible argument that the object sought to be attained by this interest charge is covered by a running scale of prices to different customers, and trust it is a fair assumption except in cases where unusual expense, such as is involved by distance from railways, attends the obtaining of business, that all customers enjoy the same price, and are therefore on an equal basis. If equality is the rule as to prices, we have a level foundation on which to base conclusions and would ask if it is fair to the discounter, the man who pays when due, the customer who makes prompt interest bearing settlements, to allow the fourth and fifth classes to use our money gratis, and require us to make an outlay for their benefit, which must show reimbursement, either by added prices, or a direct charge where it belongs on their account. Is it fair to the house not afraid to claim its own, and who fearlessly stands for the right to be confronted with the disheartening information of weakness in its own ranks, and told we are a glaring exception to the rule, by charging interest on open accounts, thereby indicating little appreciation of their business, and following it up by the clincher, that if persisted in, we will be deprived of their future patronage. I believe you will all agree with me, that it is not fair, and that jobbers and manufacturers, who have a high regard for justice, and wish to be up-to-date and a part of the proverbial "stone wall" against the further lopping off of proper charges, so vitally affecting the expense of doing business, will not fail to charge interest on open past due accounts.

Returning to the main issue between our customer and ourselves, what is the argument? Briefly this: The charge of interest is made to reimburse us in part for an outlay solely in his behalf, which in all justice can only be covered by a direct charge on his account, at a rate usually less than he could obtain it from his own banker, and without one penny's worth of security. Justice is so manifest in this brief argument, that further discussion should not be necessary, but we have often been met with the reply from customers, that they cannot or do not charge interest to the farmer, hence we should not charge them. We come back with the answer that if they do not charge interest they are doing wrongly and should do so, or that if we enjoyed the margin of profits, which they obtain from the farmer, we could afford to waive the interest, which answer we admit is not always fully satisfying.

If my conclusions are correct, then in my judgment the method of making this charge should be decisive, carrying with it the conviction that we expect to collect it as much as any bill for merchandise charged on the account. I believe this can be done in one way only, and that by the monthly computation and charging, placing it on the statement and plainly marking it interest, showing that we are not ashamed or afraid of it. I know that issue will be taken with me as to the method by some who enjoy my keenest respect, but I believe the argument so much



against them, and the system of making one or two charges a year so fraught with the uncertainty of collection, indicating certain weakness and indecision, that I am more or less skeptical of results. The charge is easily made, the collection is the test, and unless the method used lays a solid foundation on which to stand, the conclusion is doubtful.

The method of making this charge is so much the nub of the whole matter, that I cannot pass it without argument against the one or two charges per year. Many customers will send in payments making settlement of account in full, before interest is on the account, though four or five months may be due, and it is a hardy credit man who would ever charge interest after the account was closed, and ruled up, and it would be naturally overlooked by a bookkeeper in making the computation. Interest appearing but once or twice a year on your statement, often showing a considerable amount, offers a much greater temptation for discussion, a claim for rebate, or at least a compromise, and an expression of great surprise at the amount, while if charged monthly many fail to realize the yearly total, and pay, when if in one charge they would fight. By the monthly method you learn the attitude of your customer on this more or less troublesome question early, and fight it out, either declining the account, or taking the bitter pill, doubly bitter because you realize that you have added one more to the free list, and once there, it is as difficult to enjoy his business and collect interest, as to turn back the hand of time.

As an example of the two methods, it was my pleasure and satisfaction to learn from a credit man of one of our large houses, in this city, that his concern charged interest once a year, and that it was his belief that more than 50 per cent. of the amount so charged was each year credited back. For years the house I represent has made a practice of charging interest each month, placing it on the monthly statement, and marking it interest, and the amount so charged is very considerable annually, and it is my judgment that in no year have we ever rebated to exceed 2 per cent., no charge of less than one dollar is made, and on accounts which would show less than that amount monthly, we compute quarterly.

Could you really know to what extent the jobber furnishes capital from one year to another, on which the retailer absolutely depends for the conduct of his business, you would in my opinion be greatly surprised, and could you then know what it costs the jobber for interest, to say nothing of the risk involved, I am sure there are few who would fail to make this charge, and if credit or rebate were asked, use all possible argument and persuasion to convert and be able to retain your dues.

Let me urge that you hesitate not, but break away from the timid, join those who stand for the right, and no longer allow your concern to be used as an argument against others, but receive a substantial credit on the right side of your interest account, which I conclude would be acceptable to all of you.

#### SECOND PAPER.

It is one of the terms of sale, and the policy of the wholesale grocers of Minnesota as a matter of equity, justice and good business to charge interest on accounts after maturity. Their relations are so harmonious and their interests are so interwoven, that when a customer makes claim to one house that another does not charge interest there is no hesitancy in inquiring as to the truth of the statement or in answering the inquiry.

The house I represent makes a charge of interest on the last day of

every month on practically every account, on which bills are past due, to an amount that will justify a charge of fifty cents or more. A statement of the sum so charged is mailed to the customer with a request that he credit same and include in his next payment. I have followed this plan for many years. I find it brings better results, than to make the charge each 60 or 90 days or 6 months because the amount is small comparatively and the customer will pay it without objection, whereas he would object to paying a larger sum charged for a longer period. This is particularly the case when the charge is made each six months or year.

It is not so difficult to compute the interest each month as it is to compute it less often.

It has been my experience that to charge interest every month often has the effect of stirring the customer to an effort to collect his accounts, that he may pay his bills when due and thus save interest, and it often happens that he will pay us and make the one who does not charge interest wait for his money. One might charge a slow pay customer more for his goods than he does the one who is prompt, but that would be a discrimination not justifiable and in the end would prove unsatisfactory. It sometimes happens that the slow customer by industry, economy and close attention to business succeeds in accumulating capital sufficient to pay promptly or to discount and when that time comes the jobber who has held him up and robbed him will lose the business.

A jobber cannot in justice to himself or his customer fail to charge interest from maturity of bills. If one will figure interest at 6 per cent. on an account from maturity he will be astonished to learn how short a time it takes to eat up the entire net profit. It is an unfair proposition to furnish one man \$500 or \$1,000 or more as capital in his business to compete with the equally good customer who pays promptly, unless the current rate of interest is charged and even then there is an element of unfairness in it.

I maintain that not to charge interest is discriminatory as between customers and unfair to those who pay promptly. It places a premium upon slowness. The customer on one side of the street who pays his bills promptly, undoubtedly is at times compelled to go to his banker and borrow money to enable him to be prompt. The customer on the other side of the street who compels the jobber to carry his account, instead of going to bank and borrowing the money, is buying his goods cheaper than the prompt pay customer just to the extent of the interest he would have to pay, if the jobber does not charge it and the prompt pay customer is at a disadvantage.

From every standpoint it is inequitable and unjust to allow an account to run past due without charging interest.

Do I hear you say that you would lose your best customers if you charged interest because your competitor does not? Try it on and take my word for it that you will be agreeably disappointed. My experience proves that desirable customers are not lost by charging interest. We never inquire whether others charge interest or not unless the customer claims that they do not and it makes no difference whether our competitors do or not. I do not remember ever losing a desirable customer by charging interest, but I do recall many very undesirable customers who eventually failed who have left us for the one whom they claimed did not charge them interest.

It is good, sound, practical business to charge interest and it saves to the jobber his legitimate profit.

### THIRD PAPER.

We started to charge interest on past due accounts about three years ago. We first added interest on the statements. We had some trouble to begin with, as some dealers claimed that it was not the custom of jobbers to charge them interest and especially ourselves. They were surprised to think we would now ask it in view of the fact we had never done so in the past. The majority of them paid.

At the end of the first year we had all of our invoices and bill-heads printed as follows: "We charge interest on all past due accounts whether on open account or by notes," and this sentence we placed immediately below our terms on our invoice, so they will be noticed quite readily by the dealer.

We charge interest on all the statements which we issue on the first of every month, and do not make exceptions to the rule.

Our bookkeeper does not find it a difficult problem, as we simply figure interest by the month and make charges even though the amount of interest is as small as 15 cents. On our books we keep an account of interest, charging to it all interest items which we have to pay on bills payable and crediting to it the total amounts of the interest which we charged on various accounts each month.

In case we are unable to collect the interest charge from a customer, we, of course, have to deduct this from the credit originally given to the interest account.

We have four lines of business which take in a large variety of customers and terms.

In the case of our separator business our regular terms are four months less 5 per cent. off 30 days. All our sales in this line are to implement dealers. They are exceedingly slow and we charge them at the rate of 8 per cent. on past due accounts. I find that instead of hurting us by making the dealer find that we are lenient, that it has had the reverse effect, in that, a dealer will expect a note to be made due in October or November, or even the 1st of December, as he is not quite sure when the grain will be marketed and his accounts with the jobbers depend entirely upon how soon he can get his money out of the farmer for settlement with the jobber.

Instead of waiting till the 1st of December, he frequently sends in his money the 1st of September to stop the interest on his open account, as he feels he cannot help paying the interest on his note due someone else which is due later than he really needed to have it.

Our door mat sales cover the entire United States and terms are 2 per cent. 10 days or net 60 days. A large number of the accounts are purposely allowed to go past due for the reason that it is a novelty, and they are not taking any chances by paying us until they know for certain that our door mat is satisfactory. We find that they willingly pay the interest asked, for the privilege of running over our terms for net payment, but that on re-orders they take the discount.

Our woodenware factory sells butter tubs to the creameries throughout the Northwest, and the class of people we have to deal with there is exceedingly touchy. They feel insulted if we ask them to give a note, as they do not understand that they can give a corporation note without the signature of all their stockholders. If their account with us happens to come due the latter part of a month, it is usually allowed to run over and past due one month from the very nature of their business, as they pay out their funds on the 20th of each month, and if accounts such as ours happen to come due 5 or 6 days after that date, let them run.

In these three lines we have no difficulty whatever in collecting interest, and during the last two years since we printed on our invoices the statement that we charge interest, all of these customers seem to take it for granted that they will have to pay it and that it is a fair charge. The fact that we are able to get our interest from the numerous hardware dealers, furniture men, and grocery houses throughout the United States on our door mat accounts leads us to believe that the custom is becoming universal among jobbers to charge interest on past due accounts.

The surprising thing about the charging of interest is the fact that it is the small items of interest on accounts which are only past due 30, 60 and 90 days which make up the volume or larger proportion of the interest which we collect.

I find that we collected during the past season, approximately, \$1,600 more than we paid out on our own bills payable and that we collected more than \$700 in interest items which amounted to less than \$1.

If an account is running past due, we write a letter about one week before the first of the month calling attention of the dealer to the account and advise him that he will save his interest charge that we would make the 1st of the month if he gets his money in promptly. It works in a majority of cases. Our experience is that a dealer will pay his account more promptly to save the interest than he would before we started to make these charges.

We do not believe any one considers the paying of interest to us in preference to paying it to a bank. The accounts are not large enough for that. Our large accounts we try to get into notes if they run over.

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### **The Recent Bulk Sales Decision Handed Down by the Supreme Court Will Strengthen the Law in Every State.**

An article which appeared some time ago in the *Mercantile Adjuster* pronounced the opinion that in some of the states in which the bulk sales law had been declared unconstitutional, a constitutional amendment is required to assure validity. There will be found many objectors to this view. In New York state, for instance, where the law was redrafted, after having been declared unconstitutional, it would be very reasonable to expect the Court of Appeals to decide in favor of the new law promptly under the influence of the decisions handed down by the Supreme Court of the United States, and especially also because the new law does not contain the features which caused the former law to be open to criticism.

The fundamental argument for the bulk sales law, an argument which should in every case be strong enough to support it against any attack, is that the statute is aimed to avoid fraud, and fraud clearly comes within the police power. Therefore it appears that the reasons underlying the decisions against the validity of these acts is generally faulty and proceeds from a false conception of the relation of the judiciary to the legislation. If such legislation as the bulk sales law is necessary for the prevention of fraud, and there is evidence aplenty that it is, then the legislature should not be without power to apply the remedy, and chances are that they are not. The Supreme Court decision helps to this conclusion.

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**The July Bulletin will contain, verbatim, the proceedings of the Fifteenth Annual Convention of the National Association of Credit Men, held at New Orleans, La., May 17, 18, 19, 20, 1910.**



### The Federal Government and Its Limitations.

Dr. Woodrow Wilson, president of Princeton University in a recent address on the powers of the federal government enunciates certain important principles which should underlie all thought as to where the limits shall be placed on federal authority. He pointed out that the question of federal limitation is acute because of the great expansion of the country since the republic was founded and because of the comparative ease of interstate communication. He said:

"I for one am very jealous of the separate powers and authority of the individual states of the Union. But it is no longer possible with the modern combinations of industry and transportation to discriminate the interests of the several states as they could once be discriminated. Interests once local and separate have become unified and national. They must be treated upon a national scale, in a national spirit and by the national government.

"The federal government must, if possible, be kept to its old temper of restraint and carefully studied constitutional right, but it cannot be kept to a little field when the field is in fact great and must be occupied by some common authority. Our principles are not new, but the forms in which we should express them must of necessity be new, and they are so novel indeed as often to make the principles themselves bear an appearance of radical novelty. There should be no limitation of the functions of the federal government by number, but only limitation by carefully considered principles and carefully studied instrumentalities of action."

The Credit Department Methods Committee has issued a small ticket or label reading as follows:

**DISCOUNT FOR CASH** is a Premium for  
**PROMPT PAYMENT** within the time and upon  
the terms as agreed, and when **NOT EARNED**  
should not be claimed.

Please add to your next remittance \$.....

ISSUED AT THE INSTANCE OF

**NATIONAL ASSOCIATION OF CREDIT MEN.**

The back of these tickets is gummed so that members may attach them to receipts or letters. The tickets are put up in packages of 500—price being \$1.00 a package. No order for less than 500 can be accepted.

Every merchant suffers more or less from the abuse of the discount privilege. Education will do a great deal to diminish the evil. After a man has received a few of these notices especially if they come from more than one source, he will begin to take notice.

Send to the Association office, 41 Park Row, New York, N. Y., for samples.

## THE PUBLIC ACCOUNTANT, HIS IMPORTANT RELATION TO CLIENTS AND PUBLIC.

BY DWIGHT E. BEEBE.

Reprint from *Moody's Magazine*.

The public accountant in the minds of many is an unattached bookkeeper; to many more he seems to combine with an indifferent knowledge of accounts the service of an amateur detective, who ferrets out irregularities in the handling of money and money transactions. There are still others among business men with a hazy idea that the public accountant's services include something more than the mechanical adding of columns; these have considered the advisability of employing his services possibly because a strong competitor has already done so, but without a very clear conception of what the benefit would be. As a matter of fact, the bookkeeper bears to the accountant about the same relation that the bricklayer does to the architect, or the machinist to the designing engineer.

Because of such widely varying opinions of the accountant and his work and because the demand for the accountant's services seems to be directly proportional to the general knowledge which the business community has of his qualifications, it is the purpose of this paper to show a few of the points of contact between the public accountant and his client.

The field of the public accountant is so broad and the ideas of the relative importance of his services so various that it is difficult to obtain, even among members of the profession, a comprehensive and satisfactory definition of the public accountant. According to one, he is a professional man whose energies are devoted to business organization, to the framing, examining and reporting upon all classes of accounts therewith connected, with the object of so systematizing them that the maximum information pertinent to his purpose may be obtained at a minimum cost of time and effort.

Public accountants as a whole are high principled men of unquestioned integrity, whose very capital is the confidence they inspire in the men who employ them and trust them with the inmost facts of their business affairs. These men stand for the law of order and do much to hold the world of business in its course of progressive development. The public accountant's services, as the name implies, are open to any one who chooses to avail himself of them.

Every one is familiar nowadays with stories of modern crusades against corruption and abuse of privilege in municipal, state and national affairs; but probably not one person in ten has appreciated how the results were obtained nor how much has been due to the work of professional probers into the dark and devious ways of corruption, through which present-day reforms have been made possible. The findings of these penetrating fraud hunters have laid bare the actual condition of affairs to the light of day and suggested measures to thwart further wrongdoing.

But the accountant's activity is not by any means confined to the service of the state or the municipality any more than the lawyer's. While the extent to which his skill in accounting and systematizing may profitably be applied to the average business house has not been half appreciated, his services are in growing demand. There is need for him

on every hand to go over books, observe antiquated methods and substitute for them more modern and accurate business machinery. He examines to ascertain whether the results shown at any given period are correct and in accordance with all the relative facts obtainable. He reports his findings to his client in a disinterested and impartial narrative; so interpreting his own exhibits as to determine whether or not the business is harmoniously organized, whether the distribution of expense and income among its various divisions is the best possible under the circumstances, and if not, what modification should be made.

The relative importance of a rightly conducted accounting department to the other branches of a business is self-evident. The efficiency of every other department is dependent upon correct, prompt and trustworthy accounting. This department binds the separate links into one effective business chain. If the cost and accounting systems are firmly established, then every department is positive. The sales manager knows his possibilities and his limitations. There is no guess-work about either. The credit man knows just what he can risk and when to clamp on the brakes. Every branch of the business feels that the confidence of positive accuracy is back of it.

Now no one is better able to assure the proper establishment of a cost or accounting system, which will fit the conditions under which it operates, than the public accountant. He is in a position to know from his wider experience, from his familiarity with other concerns in similar lines of business, what methods to employ to bring results. He need not and does not commit a breach of confidence in so doing, for in no way does he disclose the business affairs of his clients. Like the lawyer who uses the decisions of other cases to guide him in the conduct of the one in hand, he has the privilege of using his records for his own guidance and if the accountant gains one idea from your business methods, he doubtless gives you a tenfold return from his other experiences.

The conduct of the audit of a business is in itself one of the simplest of the public accountant's services, but he is not content simply to cover clerical accuracy of books and records. He makes the audit and his report from it show graphically the exact condition of the business. His report gives the manager information that he has not obtained from his own staff, and the information is so arranged that it will not require time and study to absorb it.

While the accountant does not care to emphasize too strongly his abilities as a detective, nevertheless his periodic audits are oftentimes of great preventive influence.

As the "self-made merchant" said: "The great secret of good management is to be more alert to prevent a man's going wrong than eager to punish him for it. . . . A man who's fundamentally honest is relieved instead of aggrieved by having proper checks on his handling of funds." The periodic audit of accounts made by the public accountant has a salutary effect upon the entire office force. The cashier, knowing that a man from outside will come in and count his cash, check his tickets, reconcile his bank account and see to it that there are vouchers for all disbursements, will surely be more careful than the cashier who is never molested. Then there is the other side of the question, the moral obligation on the part of the management to place its men above suspicion and to keep temptation out of their way. A periodic audit of all our banks and trust companies, our fraternal organizations, our clubs and our manufacturing plants would go far to reduce the stolen millions reported each year by the great bonding companies.

The tendency of a rather large number of institutions is to place their cashiers under bond and rest in the easy sense of security, without troubling to check them with a periodic audit. But the bonding companies are not so easily satisfied. When the bond is to be renewed the first question is: "Have you had an audit?" and the next: "Was everything all right?" If it appears afterward that there has been no effort to check the men in charge of funds and things were not all right, the claim against the bonding companies may be very difficult of collection.

The value of the public accountant's certificate is admitted more and more where concerns of undetermined standing apply for bank credit. Banks are beginning to require that such an applicant shall submit his books to examination by a public accountant and that the accountant's certificate shall be attached to his property statement. It is reasonable to suppose that the time is not far distant when the note brokers who make a specialty of the sale of commercial paper of scattered industrial companies will be required by the banks to whom they sell to submit an accountant's statement of the property and financial condition of the company whose paper is offered.

The accountant's report has often been a great aid in the purchase sale, formation or transfer of a business. This report is to a man's business what an abstract of title is to a piece of real estate.

Trust companies, whose business it is to administer estates, find in the business-like report of the public accountant, based on a careful examination of the money and property accounts of estates, a ready and unquestioned basis for all adjustments.

Success nowadays is earned by attention to details. A successful business is built up by the operation of an economic law. There is no secret about it. Intelligence, persistent and energetic, is the prime essential. In the conduct of great enterprises where decimals are to determine whether there shall be a profit or loss, success or failure, supervision and advice of the accountant is a constant safeguard.

No man with a business on his hands would try to get along without knowing what bearing rent, light, stock depreciation and a host of other things have in relation to his product and its net selling price. Yet in ordinary bookkeeping the item of incidental waste appears not to have been considered in many instances. Waste costs money, but unless attention has been given to it, the item is generally lost sight of in the cost of operation.

To show how insignificant an item may shift the balance from profit to loss, an audit of a large manufacturing company's accounts, not long ago, disclosed the fact that, instead of making gains, the plant had been operating for several months at a loss, in spite of the fact that the shops were full and apparently conditions all of the very best. The accountant carefully analyzed the situation and discovered the trouble to be due to the fact that the method used in storing raw material and heavy parts required many times as much handling as it should before the material was available for use. He devised a simple but effective system for overcoming the trouble and the balance swung back.

The average profit of a string of restaurants in a large city was figured by the owner at two cents per customer throughout the year. Very little uncertainty in accounting methods and distribution of costs would be required to upset a margin of profit like that.

Accounting is not merely making a record of what has been done. It is a tabulation and classification of all details of a business so that the management can intelligently decide upon a future policy. The record



of what was done a year ago will not of itself produce increased earnings next year. By analysis and comparison the accountant will develop knowledge of the weak spots in the working organization and bring them to the attention of the management.

The natural field for his activity as a systematizer comprises the manufacturing plants of the country upon whose cost of production and its accurate determination depends the life of the industry. Having made his audit, the accountant is in a position and is often permitted to introduce gradual changes in the accounting system which will tend toward improvement each year. These changes are brought about without confusion and the manager of many a modern enterprise keeps his public accountant constantly at his elbow to advise him on the policy to pursue.

For the manufacturer, he devises systems to disclose and overcome unsatisfactory results occasioned by mismanagement, or lack of proper and reliable information as to the cost of making or marketing a product. His findings show specifically which class of articles is profitable and which is the reverse.

For the general manager of a railroad, the accountant devises systems which give him figures in terms of ton mileage, train mileage, engine mileage or fuel costs, by means of which he may put his finger on the man who is getting things done with proper economy and dispatch.

For the managers of the great hotels of our large cities, the accountant devises systems which comprehend the infinite details to be looked after; the purchase and sale of supplies, the checking systems of each department down to the minute, showing at a glance the expenses and earnings of carriages, laundry, cafés and rooms.

For the textile mill operator, he provides for the taking of quarterly inventories and the working out of costs per pound of the product, showing resultant surplus or deficit.

The accountant verifies and compiles accounting evidence and acts as an expert witness in litigation. He works hand in hand with the lawyer in cases where partnerships are dissolved and the intricate matter of the interest of each partner is involved. He is constantly called to make an audit and straighten out the tangles of an estate for the trustees and the executor or to show the receiver in bankruptcy what the problem is he must face.

Corporate undertakings have the advantage of making it possible for the small investor to become part owner in a paying business. He must be satisfied that his money is honestly and efficiently used. He has neither the time nor the knowledge necessary to enable him to look into these matters for himself and there is no one so well fitted to guard his interests as the public accountant, whose experience and training make him expert in such matters. In the accountant's report, the truth is arrived at with precision, and therefore accepted without question.

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"As men come together to form the state in order to protect themselves against ordinary crimes and secure other benefits, so mercantile houses *must unite* to protect themselves against those who would injure their property through fraud and conspiracy. There is no other way given among men whereby the commercial marauder can possibly be checked."

## A Rank Case of Fraudulent Bankruptcy Exposed Through an Attorney's Diligence and Persistence.

The BULLETIN is always glad to acknowledge particularly meritorious work in connection with the exposure of commercial fraud. Frequently this class of work is conducted with poor hopes of financial reward to those who are carrying the heaviest part of the burden. This was especially true in connection with the bankruptcy of Aaron Mamolen, formerly doing a men's furnishing business at Middlebury, Pennsylvania. The thoroughness and sense of fidelity with which the case was handled is made clear by the decision handed down by the referee, and credit for the findings are largely due Harry S. Knight, of Sunbury, Pennsylvania, attorney for two creditors interested in the case. The decision is a model, and for this reason also is presented in full as follows:

### *In the Matter of Aaron Mamolen, Bankrupt:*

Now, to wit, December 21st, 1908, this matter has come before me on petition and answer, and several meetings of creditors have been held at which the Bankrupt has been present in person and by counsel, and he, as well as others in his presence, have been examined as to his estate. He has been represented by counsel who have been extremely diligent and careful as to his every interest, and ample time and opportunity have been given him to submit evidence and proof as to such matters as in his judgment were to his interest to have made a matter of record.

From the records, exhibits, testimony, etc., the Referee finds that Aaron Mamolen, the Bankrupt, engaged in the retail business of gents' furnishings, clothing, shoes, etc., in the Borough of Middleburg, Middle District of Pennsylvania, on or about September 1st, 1904, with a capital of about \$3,000.00, all his own, which business he continued to conduct up until the 22d day of December, 1906, at which time he filed his voluntary petition in Bankruptcy.

That on or about the 5th day of February, 1906, the net worth of the Bankrupt, as per his statement to George E. Keith Co., was \$4,130.95, his stock being worth between \$5,000.00 and \$6,000.00, and his indebtedness was \$1,500.00 for merchandise and money borrowed. This indicates that his business was prosperous and had earned in seventeen months preceding February 5, 1906, over and above all his living and business expenses, about \$1,130.00.

It appears to me that Aaron Mamolen received into his hands since February 5, 1906, either in cash borrowed or stock purchased or from open accounts, assets to the amount of about \$31,855.75, and that since the above date has disbursed the sum of \$21,736.05, a more specific statement of which assets and disbursements, as found by the Referee from the testimony taken and exhibits, is as follows:

Merchandise on hand and store fixtures Feb. 5, 1906, as per statement to Geo. E. Keith Co., and subsequently affirmed as correct in his testimony .....	\$4,358.31
Merchandise received between Feb. 5, 1906, and Dec. 22, 1906, and paid for .....	8,524.64
Merchandise received during above period and not paid for and for which claims are proven .....	12,344.10
Cash on hand and in bank Feb. 5, 1906, as per statement .....	265.00
Due Bankrupt Feb. 5, 1906, on notes and accounts (cash value) .....	468.75
Money borrowed since Feb. 5, 1906, as per claims proven and certified to as correct by Bankrupt in his testimony .....	5,894.95
<b>Total .....</b>	<b>\$31,855.75</b>

Disbursed by checks drawn upon First National Bank of Middleburg for merchandise, board, rent and general expenses since Feb. 5, 1906 .....	\$5,885.55
Same on First National Bank of Swineford, Pa. ....	3,750.50
Value of stock Dec. 22, 1906, as per testimony of Bankrupt (appraised at \$4,227.54 and sold for \$3,500.00) .....	8,000.00
Open accounts due Bankrupt December 22d, 1906 .....	100.00
Spent by Bankrupt from Feb. 5, 1906, to Dec. 22, 1906, for high living, gambling, drinking, etc. ....	3,000.00
Expenses about store not paid by check as per testimony of Bankrupt, not to exceed.....	1,000.00
Total .....	\$21,736.05

The testimony of the Bankrupt as to his losses, or in explanation of how he disposed of this money traced to his hands, was sweeping, general, vague, evasive, unsatisfactory, ambiguous and contradictory.

That during all his business career in Middleburg, from the Bankrupt's testimony, he did not keep books or records of account showing purchases or sales, cash received or disbursed, etc., except some slips which he destroyed and bank books, part of which are lost, as well as many material cancelled checks. These lost checks were procured from the bank by the Bankrupt after his adjudication and lost by him before they could be turned over to the Trustee or Referee, while other checks, not material, gotten at the same time and in the same manner, were preserved and turned over.

The evidence in this case satisfies me conclusively that Aaron Mamolen had full control over his business and the proceeds thereof. It is highly incredible to believe for a moment that he did, as he says, lose \$5,800.00 in stock speculation in Philadelphia, when we consider the testimony of the clerk at Green's Hotel, Philadelphia, Pa., who says he did not stop at that hotel during the time in question, the Bankrupt having sworn that he did and that he registered as Aaron Mamolen, together with a study of the City Directory which fails to corroborate Mamolen as to his companion, and the stock quotation of the time in question. In this connection I have considered the testimony of the officials of the banks of Jersey Shore, Pa., as contrasted with the indefinite testimony of the Bankrupt, and must find that the evidence of the Bankrupt as to procuring \$1,000.00 notes at these institutions, and which he alleges were taken with him to Philadelphia and lost in stock gambling, is false.

The circumstances of this case and the conduct of the Bankrupt and of his business tend to discredit him and make his testimony highly improbable. His method of special sales, in connection with his failure to pay current bills, is not the practice of an honest merchant. At the same time, with the large sums derived from said special sales, together with proceeds of his general business and with no disbursements for stock, etc., his testimony as to the necessity to borrow money is inconsistent.

It is a hard case—one that has involved care and anxiety on my part to do justice as the facts appeared to me to warrant.

In allowing \$3,000.00 for high living, gambling, drinking, etc., I think an amount far in excess of the sum actually spent is allowed, but the Trustee has not been in a position to contradict the Bankrupt as to this item and the testimony of Aaron Mamolen as to this expenditure is taken.

The loss of certain checks gotten from the First National Bank of

Middleburg by the Bankrupt after his adjudication, aggregating \$2,094.15. for which no vouchers or check stubs have been produced or discovered, has hindered materially in these findings, but in no event can this help the bankrupt nor assist in reducing the finding.

This finding and order is based upon the principle of law, which seems too well settled, that the property of a bankrupt estate traced to the recent control and possession of the bankrupt is presumed to remain in him until he has satisfactorily accounted to the court for its deposition or appearance.

Resolving every doubt in favor of the Bankrupt, it shows \$10,000.00 or its equivalent in property coming into his possession and wholly unaccounted for.

I therefore find that Aaron Mamolen had possession or control of the sum of \$10,000.00 at the time of the filing of his petition in bankruptcy December 22, 1906; that said Bankrupt withheld and concealed the same from his Trustee as assets of his estate, and is withholding and concealing the same from him.

I do therefore order that the said Bankrupt, Aaron Mamolen, pay over to the said Trustee, F. A. Witmer, the sum of \$10,000.00 within twenty days of service upon him of a copy of this order.

M. H. TAGGART,  
*Referee in Bankruptcy.*

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### Business a Science.

Business is ascending to the higher plane of a true science. Few widely experienced business men will to-day dispute this claim. Moreover the fact is being recognized in the education of our youth. We no longer question the advantage of giving the boy intended for business a course of training along broad lines. We are recognizing that it is not sufficient for him to go into the manufacturing plant or railroad shop and pick up ideas as best he can. If he is going to attain his highest usefulness he must have a background of business education so that he shall have poise and judgment, an intimate view of the relations of his own work to closely associated fields, so that he shall be what the world demands more than anything else to-day, a big practical broad gauged man.

This line of thought is suggested by the prospectus of its business science course just issued by the University of Wisconsin. In it are outlined courses for both resident and correspondence work. It would be instructive for every credit man to study the "Chart of Business Courses" attached to the university prospectus. Set forth in this chart is the great business field which includes within its purview a "history of business," followed by a presentation of the "material bases of business" including a general survey of property, materials of commerce and economic geography, then "business technique" which includes business law, business mathematics, accounting, statistics and office systems; then "business organization and management," including general organization of business, types of organizations, management of the producing and marketing ends of a business, and last "business finance" including financial machinery, financial institutions, finance methods, investments by types and financial investments. All these headings are general but they are followed by a study of particular industries and particular kinds of business activity.



As the prospectus says the full course will give a general knowledge of the principal problems connected with the condition of business enterprises and a sufficiently intimate view of each principal phase of organization and management to act as a general guide to efficiency.

It augurs well for the future that our strongest universities in all parts of the country are undertaking to do their part to give business more efficient men. Incidentally they are destined to produce not only well equipped men from the business standpoint, but men who by breathing the air of the university should have their lives deepened and their inclination to serve the community quickened.

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### "THE RETORT COURTEOUS."

A LETTER WHICH A CREDIT MAN ONCE WROTE TO A SALESMAN.

"My Dear Mr. Jones—I have information from a reliable source, that certain salesmen representing other houses with which we come in competition, are attempting to gain an advantage, and to incite prejudice against us, by telling our customers that I am a 'Crank'; that I have certain fixed rules from which there is no variation and that if the business is given them their houses will treat them with the broadest liberality as to time and credit (a most insidious and dangerous proposition) and with other equally unbusinesslike offers are endeavoring to attract trade their way.

"The word 'Crank' is defined as, 'a person full of crotchets, one given to fantastic or impracticable projects, one whose judgment is perverted in respect to a particular matter.'

"I do not believe that any one who knows me will say that this definition fits me in any particular, but on the contrary, the reverse is true.

"Lowell says: 'There is no better ballast for keeping the mind steady on its keel and saving it from all risk of crankiness than business.'

"I have no time to be a 'Crank.' I have all I can do to attend to my own business, which I at least make the attempt to attend to, in a businesslike manner.

"If, however, to use my influence, small though it be, to bring about improvement in business methods, to aid by precept, example and counsel in removing to the greatest possible extent the causes that lead to financial failure, entitles me to the name of being a 'Crank,' then I am a 'Crank' indeed.

"If to treat every one with due courtesy and consideration, and to carry out every business transaction in the light of a just and equitable appreciation of the rights of all concerned, designates me as a 'Crank,' then I am a 'Crank' of the 'first water.'

"If the disposition which I have so often shown, to render any and all accommodations, and to confer any and all favors within my power to grant, when called upon, and to aid and assist upon any and every occasion when my assistance is desired, is an indication of 'Crankiness,' then I am 'Cranky' as you well know.

"If to have a most earnest desire to see every man in legitimate business succeed, no matter what that business may be, whether large or small, whether as customers, or competitors, is just ground for calling me a 'Crank,' I accept the imputation.

"If to have a warm spot in my heart for every human being on

earth rich or poor, black or white; to feel sorrow when any are sorrowful, to feel glad when they are glad, to be happy when they are happy, to be sad when they are unfortunate, with malice towards none, doing the right as it appears to me and in so far as it is possible for human nature to do, is a basis for calling me a 'Crank,' I glory in the name.

"I would rather have the commendation of one good, thorough going, successful business man, than the encomiums of a thousand 'fourth class farmers' which I might be entitled to, were I to do business their way. I will take my chances of success on the broad ground of 'do business on sound business principles.'

"I register no 'kick' against the salesman who may feel called upon to herald me as a 'Crank' in order to bolster up his trade. It may prove of temporary advantage to him, but as sure as fate he will sooner or later 'be hoist upon his own petard.' I believe that right will always win."

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Every time you receive a credit inquiry from a local concern, refer to your new membership list which is arranged for ready reference alphabetically and by trade groups. If the inquirer is not a member, enclose with your reply a separate strong letter urging him to join our Association, so worded that the letter calls for a reply. Send him an addressed and stamped envelope for his reply. You have done him a favor, by your courteous reply to his inquiry. The stamped envelope invites a reply. The expense of belonging to the Association is nominal, the benefits many. What good argument can an up-to-date house advance for not joining?

Give this suggestion a fair trial. You will feel glad if you can secure a member now and then and with so little effort. Let the National Association office have the names of any to whom you write.

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## ASSOCIATION NOTES.

### Atlanta.

Justice Arthur G. Powell, of the Georgia Court of Appeals, delivered a learned and eloquent address on "Public Opinion as Related to the Enforcement of Law," before the April meeting of the Credit Men's Association of Atlanta.

His audience was so enthused by Mr. Powell's remarks that, when he had spoken his allotted time, they unanimously requested him to continue.

Contending that a judge was as unqualified to speak on "Credit" as an Irishman on "Snakes in Ireland," Mr. Powell dwelt chiefly with American jurisprudence and the influence of public opinion. After calling attention to the widespread dissatisfaction at the lax punishment of crime in America, the speaker admitted the condition, but claimed that the fault lay, not in the laws themselves, but primarily in a public opinion that would not carry them out, and secondly, in a judiciary that is underpaid and often unqualified.

Previous to the serving of refreshments a committee on nominations submitted the following names for election: R. Rosenbaum, president; H. B. Wey, vice-president; James S. Dougherty, second vice-president; E. L. Rhodes, secretary and treasurer; J. W. Harlan, Bolling H. Jones and R. S. Wessels, directors. The association elected them by unanimous vote.

### **Baltimore.**

The Credit Men's Association of Baltimore held a luncheon May 10th, when Hon. Robert J. Beacham, member of the House of Delegates, was guest of honor and reviewed the work of the Maryland legislature at the last session. He showed that the delegates as a whole had a very fair appreciation of the business necessities of the state and stood ready to guard them against that which is unreasonable.

### **Boise.**

The April 25th meeting and luncheon of the Boise Association of Credit Men was that of a thrifty organization. The plan of the National Association to make unpopular the deduction of unearned discounts received considerable attention and it was decided to join heartily in this work. An endeavor was made to secure the consent of some member to act as delegate to the New Orleans convention, but no one was found able to take the necessary leave of absence from his business.

Addresses were made by P. M. Kinney, president of the Winona Wagon Co., of Winona, Wisconsin, and President Leo. J. Falk, of the Boise Commercial Club. The Membership Committee reported an increase in membership.

### **Boston.**

At the April 30th meeting of the Boston Credit Men's Association, James G. Cannon, of New York, delivered an address illustrated by the stereopticon on financial crises and the part assumed by the clearing houses of the country in tiding over times of financial stress and strain. Mr. Cannon, who was chairman of the loan committee of the New York Clearing House in the panic of 1907, said that at the conclusion of the panic period he had assembled the certificate forms issued by every clearing house which had resorted to them, and many of these he presented on the screen telling the reasons for the differences they presented.

Mr. Cannon declared that the clearing houses present the simplest and most available means of meeting financial panics. They need, he said, but a slight extension of their powers to relieve all pressing currency demands and afford the best means of utilizing the great mercantile resources of the country in their own protection and to give strength to our credit fabric. He said:

"In order to provide emergency currency which is so greatly needed at times, I would have the clearing house in each of the sub-treasury cities incorporated, recognized by law and prepared to do business with the United States government. I would have a United States emergency currency printed in large quantities and held under adequate safeguards at each of these sub-treasuries.

"I would permit the treasurer of the United States, upon proper application, to receive clearing house loan certificates of the associated banks in any of these cities as collateral security, and advance 50 per cent. of the amount of such certificates deposited, in emergency circulation, to such association. Such circulation should bear 6 per cent., so that it would be retired at once when no longer required. This circulation would thus cost the banks 12 per cent., as they would be obliged to pay 6 per cent. on the full face value of the loan certificates deposited with the sub-treasuries as collateral for the issuance of this kind of currency."

William G. Walker, chairman of the committee in charge of the

recently established credit interchange bureau, reported that the bureau has acquired 110,000 references, and John R. Ainsley told of the association's efforts in behalf of the false statement bill that has been signed by the Governor, and the collection agency bill now before the House.

#### **Buffalo.**

The Buffalo Credit Men's Association held a meeting May 12th, electing officers for the ensuing year, hearing reports of retiring committees and listening to important addresses. John J. Dolphin was elected president, S. C. Ryan, vice-president, and E. H. M. Edwards, treasurer. The retiring president, W. L. Fox, who has served two terms, during which the association has made great progress, was given an ovation as he surrendered the gavel to his successor.

The membership committee showed that sixty-three new members had been added to the association in the last quarter, giving a total membership of 283.

The principal address was made by Albert J. Leitch, of Cleveland, on the subject "Organization." Mr. Leitch particularly sought to bring out how any business can develop into a success, when a man having the proper amount of energy is behind it.

Some of Mr. Leitch's epigrams were.

"There is energy in money, machinery, merchandise and men, but in the first three commodities it is limited and fixed, while in men it is almost infinite."

"As a manager of men your success depends upon the amount of their energy you develop and direct."

"In business, it is always best to have a certain policy to live up to and stick to—something by which to measure your men, your customers, raw materials or the finished product."

"It is the best for both quality and quantity of merchandise—machinery and men. It's the standard and everything in business must measure up to it."

The speaker said that \$600,000,000 is spent annually in advertising in this country, but that it was a question of how many millions were misspent because of ignorance of business methods.

#### **Cleveland.**

The April 27th meeting of the Cleveland Association of Credit Men took up several matters of importance to credit men, one of them being the passage of the proposed "Fictitious Name Law." President Gaehr announced that Chairman English of the Legislative Committee was in Columbus to urge forward this measure. President Gaehr also called attention to the satisfactory work of the adjustment bureau which was, he said, being highly appreciated by many who had given it a fair trial. Mr. Gaehr read several letters complimentary of the bureau's management in specific cases.

Fire insurance was given attention, A. L. Somers making an address on "Educating the Customer on Fire Insurance and What We Should Require of Him." In his address Mr. Somers urged the members to give all possible force to the work of the National Fire Insurance Committee by taking part in the distribution of the committee's leaflets "Burning Subjects." He also suggested that traveling salesmen be instructed to urge their customers to carry insurance and enough of it. George W. Kinney also spoke on insurance, laying stress upon small improvements which materially lower rates and reduce the chances of fire loss.



Short talks were also made by E. L. Rose on "Phases of Mercantile Agency Work"; J. E. Richardson on "Practical Credit Systems"; F. D. Shook on "Collections"; Carl H. Nau on "How to Determine when an Account becomes a Dangerous Risk"; E. T. Holmes on "Acquainting Customers with the Rules of the House"; R. H. Horsburg on "Sales Force and Credit Department"; C. J. Whipple on "The Salesman a Credit Man," and W. E. Clark on "Complaints."

Fred C. Dorn, chairman of the special committee on credit information bureau, also presented a report showing what progress had been made toward establishing such bureau in Cleveland.

There were 125 members present at the noon-day luncheon of the Cleveland association, held May 12th. Charles A. Otis spoke on "The Credit Men's Part in the Growth of Cleveland," and Sidney Wilson on "Credit from a Retailer's Standpoint."

Among other things Mr. Otis said the man who minds his own business is successful in life because he has so little competition in that line.

"I believe," he said, "we are going through an era at the present day when there are more people telling you how to mind your own business than there ever were before in the history of the country."

"College presidents, politicians, demagogues and others are constantly advising the big business firms and companies how their business should be conducted and how they have a right to earn only 6 per cent. on their invested capital."

"Numerous banks fail because their presidents or other officers do not stick to their own business but become interested in the business and affairs of other concerns and neglect that of their depositors and stockholders."

"Every one should take an active interest in politics and in the political questions of the times. The best men running for offices should be the ones to receive support. The worst citizen is the one who does not vote either through inclination, because the weather is disagreeable, or because of some other poor excuse."

A number of members who were also enrolled in the Wholesale Merchants' Board gave short talks on the trip recently taken into nearby markets under the auspices of that board.

### Detroit.

The April 26th meeting of the Detroit Credit Men's Association was addressed by the Hon. James W. Helme, of Adrian, Michigan, on the "Tax Specter," arguing that by reducing unnecessary state appropriations and increasing franchise taxes and levying a specific tax on the output of the mines of the state, the state tax could be abolished as it had been in many other states of the Union.

By a unanimous vote it was ordered that the Detroit delegation to the New Orleans convention urge upon all attending the convention the merits of Detroit as the next convention city for the National Association of Credit Men.

### Lincoln.

The Lincoln Credit Men's Association held its regular monthly meeting May 16th, at the Commercial Club, and listened to a very interesting address on "Public Credit," made by Prof. G. O. Virtue, of the Nebraska State University.

### **Louisville.**

The Louisville Credit Men's Association held a meeting May 5th for the election of officers and directors for the ensuing year. President John A. Mathews, in his report declared that the association had never before been in such excellent condition financially, in membership or loyalty to association ideals. All, he said, were staunch supporters of the association, seeing clearly the important work it is doing.

Chairman J. H. Scales, of the Interchange Bureau Committee, reported that the bureau was strengthening itself perceptibly with members each month, that over five thousand new names were being added every month to the cabinet and it was now able to report an average of four merchants selling at least 50 per cent. of the parties inquired about. Further, he said that the bureau members were using the facilities that were theirs increasingly, the record for April having been seventeen hundred inquiries.

Chairman Bethel, of the Mercantile Agency Committee, reported that he had been able to report to the agencies each month several irregularities which if remedied would materially better their service. He said that the members of the association had gotten into the habit of reporting to his committee on irregularities in agency service.

President Mathews was given a unanimous and hearty re-election, Clarence Braden was elected vice-president, and directors were chosen in a spirited contest.

### **Memphis.**

At the annual meeting of the Memphis Credit Men's Association held April 19th, J. R. Paine, formerly secretary of the Association, was made president, and R. W. Ramsey was elected vice-president, E. L. Rice, treasurer. W. R. King, the retiring president, made an address showing the splendid progress of the association during the year, especially in the bureaus of information and adjustment. He showed that there had been twenty-two new subscribers during the year to the information bureau, and twenty-five thousand inquiries had been answered, also that the adjustment bureau was handling a large number of cases, saving fees and expenses for creditors and gaining steadily in their esteem.

The membership committee presented a report showing that the association now stood at 207 members.

### **Minneapolis.**

At the regular monthly meeting of the Minneapolis Credit Men's Association held May 24th, delegates to the New Orleans convention made their reports. Henry Deutsch, who made an eloquent address before the convention, was present and gave his impression of the sessions. The principal address was made by Carl Wallace on "Credit and Taxation."

### **Newark.**

At the noon-day luncheon of the Newark association, held May 29th, over one hundred members were present. F. C. Crane presided and introduced Edwin G. Adams, referee in bankruptcy, who made a short talk on points in the bankruptcy law, which he found in his practice were least understood. President Sansom, who had that morning returned from the New Orleans convention, stated that at the June meeting of the association a full report would be made by delegates.

### New Orleans.

The New Orleans Credit Men's Association held a meeting May 4th to complete plans for the entertainment of the convention of the National Association. John Roth as chairman of the Membership Committee, called attention particularly to the healthy increase in membership which the last few months had witnessed and showed how the association could within a reasonable time bring the roll of membership up to 400. The Business Literature Committee was especially commended for its excellent work in connection with the convention.

### Norfolk.

The Norfolk Association of Credit Men held a meeting April 28th, which was devoted to discussions of the newly enacted bad check law of Virginia and the proposed amendments to the bankruptcy law.

D. Lawrence Groner, referee in bankruptcy, spoke on the latter subject, citing the evils under the present law which the amendments aimed to correct and urging all to give their hearty support to the Sherley bill. Mr. Groner protested against the carelessness with which creditors treat cases in bankruptcy, declaring that during his twelve years as referee not more than three creditors had been present when bankrupts were discharged.

John N. Sebrell, Jr., a member of the legislature, in a short address gave the credit men of Virginia all the credit for the enactment of the bad check measure. President Barbee followed, telling of the agreement he had made in behalf of the association with the president of the Retail Merchants' Association, that the first infractions of the new act would be vigorously prosecuted in order to give an early test of the law. The Rev. Dr. S. W. Melton followed in an address on the evils of debt, claiming that worry over debt is the greatest enemy of happiness. He quoted a philosopher who said that where liquor had killed its thousands, debt had killed its tens of thousands. He said that it is truer that men drink because of debt than that debts are created by drink.

### Oklahoma City.

The Oklahoma City Credit Men's Association held its last meeting previous to the New Orleans convention on April 28th. In opening the meeting, President A. R. Parker stated that its purpose was to set on foot a state-wide campaign for better fire insurance conditions in Oklahoma, a movement in which the association was anxious to secure the coöperation of the merchants, wholesale and retail, in every town and city.

Chairman E. G. Blanton of the Fire Insurance Committee presided, and called attention to the good fortune of securing E. T. Campbell of St. Louis, president of the American Central Insurance Company, as the speaker of the evening. Before calling on Mr. Campbell, Mr. Blanton introduced the Hon. A. B. Crockett, who had been an old fellow-townsmen of Mr. Campbell.

Mr. Campbell, at the outset of his speech, said that insurance men throughout the land are glad that business men, mainly through the great credit men's organizations, are taking such a profound interest in fire prevention and insurance matters in general. He declared that present evils are bound to yield steadily to the intelligent work they are doing. Mr. Campbell then showed why it is that insurance com-

panies, at least those of the better type, are ready to support any general effort looking to cutting down fire waste. He showed what the possibility of the conflagration hazard is to every insurance company, no matter how strong, as witness the San Francisco disaster, which wiped out magnificent surplus accounts which had been the pride of many companies and had taken years in building. Mr. Campbell favored the fire marshal law and urged that credit men everywhere work for its enactment. He showed what injustice to the public as well as insurance companies had been brought about by the senseless clamor aroused by the word "trust" and urged more temperance in dealing with insurance legislation.

At the meeting were present many prominent merchants of Oklahoma City, not eligible for membership in the association, so that the influence of Mr. Campbell's words went beyond the association's bounds. The Fire Insurance Committee hopes to make the April 28th meeting the beginning of a vigorous campaign for fire prevention.

Assistant Secretary George F. Dean made a short talk on the reporting bureau, pointing out that it is giving great satisfaction to many subscribers who have declared that they had saved many times the cost of annual dues through information received from the bureau.

### Omaha.

The Omaha Association of Credit Men had a largely attended meeting May 12th, when W. A. Campbell, of the Commercial Club Publicity Bureau of Nebraska, gave a stirring address on "Nebraska's Need of Advertising and Advertising as a Credit Builder."

Mr. Campbell demonstrated in a forceful way the big figure which advertising cuts in gaining the confidence and esteem of others.

Of credit the speaker said: "Since credit is influence derived from the good opinion, confidence and esteem of others, or, to be more specific, the expectation of money payments based on the willingness and ability of the debtor to pay, it follows to increase the good opinion and also the ability to pay extends the amount of credit. The same definition applies to individuals, corporations, communities or nations.

"To give the world a better opinion of an individual by advertising and thus extend the credit of a man or firm would be legitimate, I believe, if the publicity thus secured told of the resources at the command of the firm and the consequent ability to pay."

Mr. Campbell went on to show that Omaha and Nebraska should and can extend their credit by advertising as well as the firms of the city and state are able to do so.

President John Duff said that it was the intention of the association later on to take up the proposition of furnishing the traveling men in the employ of Omaha houses with information that will enable them to talk intelligently not only about the industries and business of the city, but the state generally. He also said that the association would at its next meeting in June consider the question of entertaining the traveling men at a banquet. It is, he said, planned to have prominent men address them on the resources of Nebraska.

The president's announcement that the association now has a membership of 102 was hailed with much satisfaction.



### **Pittsburgh.**

At the April 18th meeting of the Pittsburgh Association of Credit Men, seven new members were received into the organization, which, President Rauh announced, brought the membership to 770. The secretary stated that 250 applications for membership had been favorably acted upon since May 1, 1909.

After the transaction of business, principally in connection with the New Orleans convention, the meeting was turned over to W. A. Given, who opened a discussion on credits and collections in an address which was full of helpful suggestions from out of his long experience in credit matters. Mr. Given pointed out that credit men perform the double function of promoting sales to good accounts and preventing sales from being made to dangerous accounts. He said the credit man not only makes money for his concern, but teaches daily the lessons of honesty, integrity and business righteousness. Mr. Given then took up classes of problems which come to the credit man, and invited all present to ask questions and offer suggestions for their solution.

At the weekly meeting of the Pittsburgh Association, held May 26th, President Rauh and several of the delegates from Pittsburgh to the National Association convention were given a cordial welcome. Mr. Rauh cited the points of the convention sessions which struck him most forcefully and his announcement of the great and continued growth of the National organization in the past year was received with enthusiasm. Mr. Rauh's fellow delegates then presented him with a gavel which was cut from a tree behind which Jas. E. Porter, also a Pittsburgh delegate, took refuge after being wounded in the battle of Lookout Mountain.

There were several hundred present at the luncheon and at the close of the meeting all arose and pledged their loyal support to the National Association and the Pittsburgh branch for the coming year.

### **Salt Lake City.**

The Utah Association of Credit Men held a banquet May 7th, the occasion being the annual meeting for election of officers. A large number of members was present. Reports of the most encouraging tenor were given by officers and committee chairmen, after which addresses in lighter vein were given as follows:

"In Union There is Strength," Robert B. Porter; "The Credit Men," the Rev. E. I. Goshen; "Traffic Topics," W. S. McCarthy; "The Komikal Kuss," Eugene Owen; "Imitations," Kenneth C. Kerr; "What I Don't Know About It," J. E. Caine.

### **St. Louis.**

The St. Louis Association of Credit Men held its annual meeting May 12th, electing the following officers: C. C. Robertson, president, W. H. Grimes, vice-president and John R. Cooke, treasurer.

The retiring president, F. E. Norwine, in his annual address told briefly of the success which had followed the work of the year and declared that it was due more to earnest co-operation of the large portion of the membership than to any other cause. He asked for still more co-operation for his successor in office.

J. W. Spangler, of Seattle, a member of the National Association Board of Directors, made a brief talk on the growing power of the Association in business circles East and West.

Following the transaction of business the Jungle Town Minstrels gave a show which was highly appreciated.

#### St. Paul.

One hundred members were present at the May 10th meeting of the St. Paul Credit Men's Association.

William B. Henderson of the Security Mercantile Company, made an address on the bulk sales law. He discussed the vicissitudes of the law from early times down to a few months ago, when its constitutionality was upheld by the Minnesota supreme court. The portion of his talk dealing with fraud was of especial interest to the credit men on account of the measures for relief from fraudulent bankruptcies now pending before the association.

Hon. Louis Betz, formerly comptroller of the city of St. Paul and now treasurer of the State Savings Bank, made an address on "Capitol Approaches." He pointed out that while Minnesota had a very beautiful capitol building it had a poor setting, and that the park board was striving to interest the state and city in carrying out plans for fitting approaches.

He pointed out where other cities are spending millions in parks, boulevards and other civic improvements, notably Cleveland, Boston and Kansas City, and how even the cities of the Old World, such as Paris and London, are tearing out whole sections to recreate and remodel according to modern ideas of health and beauty.

Mr. Betz said that the tendency of modern times is from the country to the city; that the new life which comes to join the old urban population and save its extinction is the life that is demanding wider streets, more room for the circulation of fresh air, more public playgrounds for the making of good citizens and more beautiful structures and thoroughfares to draw the mind from sordid everyday matters.

It was announced that the June meeting would take the form of an excursion to Winona, an invitation having come from members in that city to spend a day with them.

#### Seattle.

The Seattle Association of Credit Men held its regular monthly meeting at the Arctic Club May 16th. In spite of the absence of the officers and delegates who were on their way to the New Orleans convention, seventy-eight members were present.

W. L. Bilger made an excellent address on "Relations of the Sales to the Credit Department," laying stress on the necessity of these departments of work being in closest union and perfect understanding. C. H. Dodd outlined the subject "Sources of Credit Information and Their Relative Value." This proved a topic for live discussion in which many members joined.

S. A. Rosenfeld gave a brief resume of the Seattle Hotel failure, showing how closer credit co-operation would have averted the heavy loss here sustained.

#### Tacoma.

The Tacoma Association of Credit Men held a regular monthly meeting May 10th, with a large attendance. Changes looking to the betterment of the adjustment bureau were discussed and decided upon and will be adopted by changes in the by-laws at the June meeting.

### Toledo.

The Toledo Association of Credit Men held its annual meeting for the election of officers May 13th, electing C. F. Weiler, president, A. A. Smith, vice-president, and W. S. Buckhart, treasurer. A résumé of the splendid year's work of the Toledo association was given by President Mackenzie in his retiring address. He said:

"Naturally, the greatest possible pleasure is afforded me in stating the paramount fact that our association is at present in a most flourishing condition.

"It pays.

"It pays us well.

"In saying this I do not imply the payment of mere money. I mean far more than that. I mean that nothing pays that does not in some measure advance the good old business ideal of 'Live and let live.'

"Our association is doing that by making the strife for the gaining of a living easier and nobler for all of us through better methods of credit, and better understanding of our fellowmen.

"More comprehensive knowledge of whom to trust has been disseminated, while much has been done to make the conduct of business by respectable merchants safe and satisfactory. Or, as the paraphrase made famous by our little bulletin puts it, to give 'Credit to whom credit is due.'

"Our membership is composed of men of high intelligence and of wide influence in the mercantile world, while our deliberations and opinions command general attention and respect.

"Our very name is to-day synonymous with improved methods in business, and we have become a real, live factor in our municipal life."

President Mackenzie closed by thanking all those who had helped him make a success of his administration and by asking for the incoming president even more cordial assistance if possible than he had received.

### Utica.

The Utica Association of Credit Men held its initial meeting since the organization had been completed, elected officers and directors and proper committees. A. H. Dobson was made president, F. J. Bowne, vice-president, G. A. Niles, treasurer and John P. Williams, secretary. Several short addresses were made by the members, each bringing out phases of the work which it was thought could be most advantageously taken up by the association.

### Wichita.

The Wichita Credit Men's Association held its regular monthly meeting April 18th, and listened to an address by Gustave A. Erixon of Guthrie, Oklahoma, on the corporation law of his State as it touches foreign corporations. The good and weak points of the much discussed Oklahoma statute were thoroughly discussed in an earnest and keen analysis. Mr. Erixon brought out that there is much difference of opinion among legal experts regarding the fundamental powers and requirements of the law and his clear exposition helped to a clear understanding of these differences of opinion. There was a large attendance.

## WANTS.

**EXPERIENCED ACCOUNTANT**, office manager, and credit man resigning position is looking for opening. Fourteen years' experience in handling, devising and installing factory cost and general accounting systems, auditing, systematizing, and office and general business management. Now in Buffalo, N. Y. Address, G. C. S., care of Chas. E. Meek, 41 Park Row, New York, N. Y.

**A MAN** who has had years of extensive experience in handling the credits and collections of a New York house (one of the largest in the country) is open for engagement. References the best. Address D. H. T., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**AN AMERICAN**, 29 years of age, who has had four years' experience as an assistant credit and collection man, retail and wholesale, also public accounting experience, is open for engagement in New York or vicinity, where conscientious attention to employer's interest will be appreciated. Best of references on request. Address Highaim, care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED**—By a party 35 years of age, who has wide experience in the leather business, a position where energy and intelligent effort will count. In his present position his duties have included correspondence, credits, collections, factory costs, buying and selling exchange, installing new systems and supervising the general office work. Party is well educated, enjoys excellent health and is a good accountant. Has satisfactory reasons for wishing to make a change and can present best of references. Address B. H. M., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED**—By a thoroughly trained credit man now engaged in a northern central state with a wholesale house handling general merchandise lines, an opening in western or southwestern state. Necessity of change of climate for the wife of the applicant is the only reason for desiring to leave present position. Address W. G. M., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED**—By a young, unmarried, thoroughly competent and experienced credit and collection man, a new connection where hard successful work will bring improved opportunities. For six years with present house, doing a business all over the country. Widely acquainted with the general store trade. Record speaks for itself. Open for engagement July 1st. Western city preferred. Address F. J., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**FIRST CLASS ACCOUNTANT** and credit man desires to make a change on or before July 1, 1910. Has had over twenty years' experience in these lines. Wishes to get in touch with house having an opening for a progressive yet careful credit man and accountant. Address J. Y. L., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**POSITION DESIRED** by credit man of eight years' experience who has held positions of credit man, treasurer and general manager in a large manufacturing company selling to hardware and saddlery trade and also to general stores. Also has had fifteen years' experience in railroading and is competent to handle traffic department as a side issue. Best of reasons for desiring change. Address G. K. S., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED, SITUATION**—Capable, active young man with seven years' experience, as treasurer and credit man for large manufacturing concern, covering Central and Southern States, is open for position. Address, B. C., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**OFFICE MANAGER AND CREDIT MAN** desires position—ten years with present concern. Thoroughly experienced, capable and energetic. Can furnish highest references as to character and ability. Address G. S., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**A HIGH CLASS CREDIT** and collection manager desires to form a new connection. Has had many years of active experience in his profession in Chicago and can make himself valuable to any organization in need of an expert. Has successfully handled a large number of accounts with all correspondence relating thereto, and can make a good record as to small percentage of losses on volume of yearly shipments. Highest testimonials submitted. J. B. T., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**A LARGE SOUTHERN HOUSE** dealing in footwear requires the services of a good credit man. Must have experience also in collection methods and not afraid of work. A middle-aged man preferred. Address V. T. L., care of Chas. E. Meek, 41 Park Row, New York, N. Y.



**WANTED**—As an assistant on credits and collections, a man having at least three years good experience in a similar position. A man who has received his training in the agricultural implement, seed, fertilizer, or some similar line doing business largely with farmers, is preferred. Applicant would be required to pass on credits and handle collections and correspondence, subject to supervision, and also to assist accountant or ledger clerks if desired. Salary moderate to commence with, but wide opportunity for advancement. An excellent opening for a young man having the requisite experience and ability. Applicants should give fullest information possible when writing. Address Confidential, care Chas. E. Meek, 41 Park Row, New York, N. Y.

## DIRECTORY OF STANDING COMMITTEES, 1909-1910

### LEGISLATIVE

Frank M. Gettys, Chairman, Union National Bank, Louisville, Ky.  
 R. A. Porter, Goodall, Brown & Co., Birmingham, Ala.  
 Bernard Frank, Bernard Frank & Co., Montgomery, Ala.  
 R. A. Shotwell, Fort Smith Wholesale Grocery Co., Fort Smith, Ark.  
 T. J. McCarthy, Fletcher Coffee & Spice Co., Little Rock, Ark.  
 W. T. Craig, Los Angeles, Cal.  
 Alexander G. Bell, E. Martin & Co., San Francisco, Cal.  
 B. W. Osborn, Millar-Osborn Spice Co., Denver, Colo.  
 George H. Ballou, G. H. Ballou Co., San Diego, Cal.  
 Chas. W. Lee, Wylie Packing Co., Pueblo, Colo.  
 Guy P. Miller, Bridgeport Brass Co., Bridgeport, Conn.  
 S. K. Smith, Harlan & Hollingsworth Corp., Wilmington, Del.  
 J. D. Holmes, Baker & Holmes Co., Jacksonville, Fla.  
 D. H. Kirkland, J. K. Orr Shoe Co., Atlanta, Ga.  
 R. J. Davant, Davant & Co., Savannah, Ga.  
 C. J. Northrop, Northrop Hdw. Co., Boise, Idaho.  
 Dorechester Mapes, McClernan & Co., Chicago, Ill.  
 C. E. Ward, Decatur, Ill.  
 Lucius O. Hamilton, Hamilton, Harris & Co., Indianapolis, Ind.  
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 J. M. Callander, Tone Bros., Des Moines, Ia.  
 John B. House, Lehmann-Higginson Gro. Co., Wichita, Kan.  
 R. D. Norwood, Curry, Tunis & Norwood, Lexington, Ky.  
 J. H. Scales, Belknap Hardware & Mfg. Co., Louisville, Ky.  
 A. M. Savage, Aetna Life Insurance Co., New Orleans, La.  
 Geo. F. Pitt, Twitchell-Champlain Co., Portland, Me.  
 E. A. Davis, F. A. Davis & Sons, Baltimore, Md.  
 Wm. G. Walker, Austin-Walker Co., Boston, Mass.  
 A. E. Johnson, The Pingree Co., Detroit, Mich.  
 Richard J. Prendergast, The Lemon & Wheeler Co., Grand Rapids, Mich.  
 B. W. How, Kelley-How-Thomson Co., Duluth, Minn.  
 Jas. F. Jordan, Wyman, Partridge & Co., Minneapolis, Minn.  
 Norman Fetter, Lindeke, Warner & Sons, St. Paul, Minn.  
 H. M. Threefoot, Threefoot Bros. & Co., Meridian, Miss.  
 E. L. McClure, Maxwell-McClure-Fitts D. G. Co., Kansas City, Mo.  
 C. S. Dickey, Wyeth Hardware & Mfg. Co., St. Joseph, Mo.  
 E. S. Murphy, Geo. W. Perry & Co., St. Louis, Mo.  
 Chas. E. Beebe, Beebe Grain Co., Butte, Mont.  
 J. L. Kennard, Western Glass & Paint Co., Lincoln, Neb.  
 F. E. Pearce, Paxton & Gallagher Co., Omaha, Neb.

Chas. T. Page, Page Belting Co., Concord, N. H.  
 R. M. Smith, C. B. Smith Co., Newark, N. J.  
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 Frank S. Flagg, Powell Bros. Shoe Co., New York, N. Y.  
 Geo. G. Ford, Lewis P. Ross, Rochester, N. Y.  
 Ira N. Lee, A. E. Nettleton Co., Syracuse, N. Y.  
 J. Allen Taylor, Wilmington, N. C.  
 Nelson A. Burdick, Hall-Robertson Hdw. Co., Fargo, N. D.  
 Max Silberberg, The Feder, Silberberg Co., Cincinnati, Ohio.  
 Harry English, Starr Piano Co., Cleveland, Ohio.  
 T. E. Lawyer, The Sheldon D. G. Co., Columbus, Ohio.  
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 Eugene Miller, Kerfoot, Miller & Co., Oklahoma City, Okla.  
 E. E. Tressler, Simonds Manufacturing Co., Portland, Ore.  
 J. J. Dean, New Castle, Pa.  
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 J. T. Walsh, Colona Mfg. Co., Pittsburgh, Pa.  
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 W. E. Stansbury, Goodbar & Co., Inc., Memphis, Tenn.  
 Chas. T. Sullivan, Weatherly, Armistead, McKennie & Co., Nashville, Tenn.  
 A. P. Foute, Boren-Stewart Co., Dallas, Tex.  
 W. L. Tooley, Natl. Bank of Com., El Paso, Tex.  
 T. E. Blanchard, Jersey-Creme Company, Fort Worth, Tex.  
 A. S. Cleveland, W. D. Cleveland & Sons, Houston, Tex.  
 J. D. Oppenheimer, American Shoe & Hat Co., San Antonio, Tex.  
 P. L. Doran, Symms Utah Grocer Co., Salt Lake City, Utah.  
 Jno. C. Dabney, Geo. D. Witt Shoe Co., Lynchburg, Va.  
 J. N. McBride, Oberndorfer Co., Inc., Norfolk, Va.  
 H. S. Binswanger, Binswanger & Co., Richmond, Va.  
 Fred. T. Fischer, Fischer Bros., Seattle Wash.  
 B. L. Gordon, B. L. Gordon & Co., Spokane, Wash.  
 Ralph B. Smith, Puget Sound Flouring Mills Co., Tacoma, Wash.  
 W. E. Connell, The Kanawha Drug Co., Charleston, W. Va.  
 R. D. Barney, O'Neil Oil & Paint Co., Milwaukee, Wis.

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 C. F. Hoerr, West Side Trust & Savings Bank, Chicago, Ill.  
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F. R. Hamburger, Hamburger & Silberman, Detroit, Mich.  
S. G. Rosson, Baltimore Bargain House, Baltimore, Md.  
H. S. Keating, Keating Imp. and Mach. Co., Dallas, Tex.

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W. B. Cross, F. A. Patrick & Co., Duluth, Minn.  
John Duff, Hayward Bros. Shoe Co., Omaha, Nebr.  
S. G. Rogers, Consolidated Gas & Electric Co., Youngstown, Ohio.

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C. E. Bull, Woodhull, Goodale & Bull, Syracuse, N. Y.  
L. S. Foulkes, Rochester Stamping Co., Rochester, N. Y.  
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George Guckenberger, Atlas National Bank, Cincinnati, Ohio.  
W. B. Johnston, The P. R. Mitchell Co., Cincinnati, Ohio.

Isaac A. Wyler, Wyler, Ackerland & Co., Cincinnati, Ohio.

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J. A. Matthews, Brinly-Hardy Co., Louisville, Ky.  
J. E. O'Neil, Richards & Conover Hdw. Co., Oklahoma City, Okla.  
E. F. Sheffey, Craddock-Terry Co., Lynchburg, Va.

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J. G. Mackenzie, Ames-Bonner Co., Toledo, Ohio.  
A. J. Murray, National Grocer Co., Decatur, Ill.  
J. H. Orr, Orr, Jackson & Co., Nashville, Tenn.

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Wm. H. Elvin, Indianapolis Book and Stationery Co., Indianapolis, Ind.  
Henry A. Jeffries, Kingan & Co., Ltd., Indianapolis, Ind.  
A. D. Johnson, Diamond Chain and Mfg. Co., Indianapolis, Ind.

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Newman Essick, Commercial National Bank, Los Angeles, Cal.  
E. D. Plummer, Richardson D. G. Co., St. Joseph, Mo.  
W. Q. Wales, Brown-Wales Co., Boston, Mass.

### Directory of Officers of the Affiliated Branches of the National Association of Credit Men.

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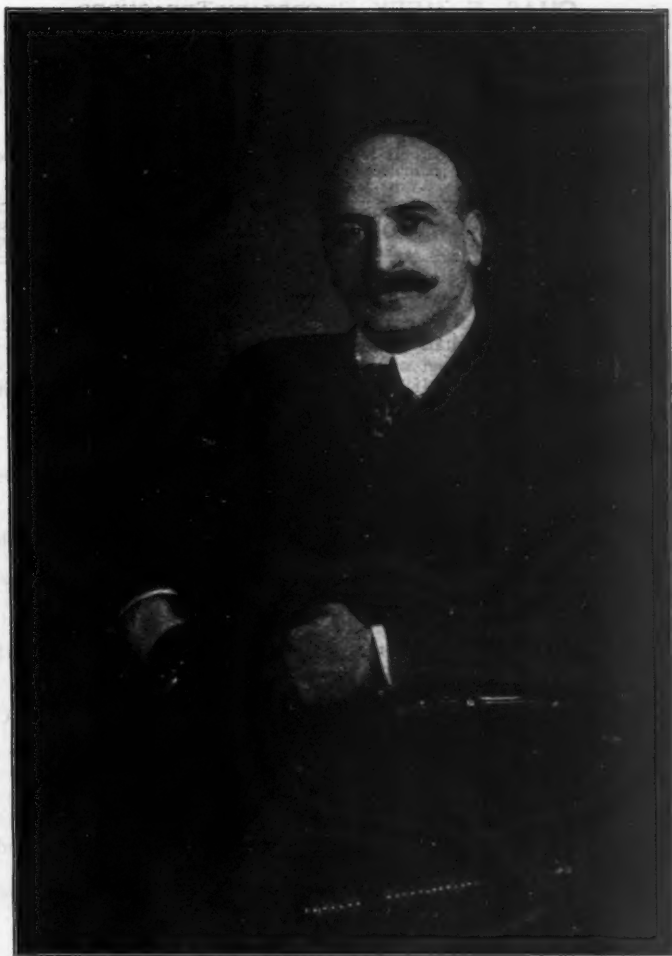


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# BULLETIN

NATIONAL ASSOCIATION OF CREDIT MEN



*First Vice-President*

**HARRY NEW**

Landesman, Hirschheimer Company, Cleveland, Ohio

# BULLETIN

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